

HEALTH SERVICES AND DEVELOPMENT AGENCY MEETING
SEPTEMBER 24, 2014
APPLICATION SUMMARY

NAME OF PROJECT: Life House Hospice, Inc.

PROJECT NUMBER: CN1406-023

ADDRESS: 570 State Street
Cookeville (Putnam County), Tennessee 38501

LEGAL OWNER: Life House, LLC
570 State Street
Cookeville (Putnam County), Tennessee 38501

OPERATING ENTITY: Not Applicable

CONTACT PERSON: Connie Mitchell
931-881-6417

DATE FILED: June 13, 2014

PROJECT COST: \$8,880

FINANCING: Cash Reserves

PURPOSE OF FILING: Establishment of a home care organization and the initiation of hospice services

DESCRIPTION:

Life House Hospice is seeking approval to establish a home care organization to provide in-home hospice services in Putnam County. If approved, the program will share office space with Life House, LLC, a 10 bed residential hospice owned by the applicant located at 570 State Street, Cookeville (Putnam County), Tennessee.

**STANDARDS AND CRITERIA APPLICABLE TO BOTH RESIDENTIAL
AND HOSPICE SERVICES APPLICATIONS**

1. **Adequate Staffing:** An applicant should document a plan demonstrating the intent and ability to recruit, hire, train, assess competencies of, supervise and retain the appropriate numbers of qualified personnel to provide the services described in the application and that such personnel are available in the proposed Service Area.

The applicant will follow the National Hospice and Palliative Care Organization (NHPCO) staffing guidelines. A description of the guidelines is located in Attachment 5.1 of the supplemental response. Note to Agency Members: Non-core services such as dietary counseling and homemaker services are also not reflected in the proposed staffing plan. The proposed plan reflects only 0.40 FTE registered nurses, 0.40 FTE certified nursing assistants, 0.10 FTE Social Workers, and a 0.25 FTE Chaplain.

It is questionable as to whether this criterion has been met.

2. **Community Linkage Plan:** The applicant shall provide a community linkage plan that demonstrates factors such as, but not limited to, relationships with appropriate health care system providers/services, and working agreements with other related community services assuring continuity of care focusing on coordinated, integrated systems. Letters from physicians in support of an application shall detail specific instances of unmet need for hospice services.

The applicant currently has relationships with hospitals, nursing homes, assisted living facilities, and other hospice providers in Putnam County.

The applicant provided 1 letter from a physician for the support of Life House Residential Hospice. None of the letters provided detailed any specific unmet need specific to In-Home Hospice Services.

It appears this criterion has not been met.

3. **Proposed Charges:** The applicant shall list its benefit level charges, which shall be reasonable in comparison with those of other similar facilities in the Service Area or in adjoining service areas.

The charges of approximately \$140.00 per day by the applicant are slightly higher than the average rate of \$139.67 of all Putnam County in-home hospice providers.

It appears this criterion has been met.

4. **Access:** The applicant must demonstrate an ability and willingness to serve equally all of the Service Area in which it seeks certification. In addition to the factors set forth in HSDA Rule 0720-11-.01(1) (listing the factors concerning need on which an application may be evaluated), the HSDA may choose to give special consideration to an applicant that is able to show that there is limited access in the proposed Service Area.

The applicant indicated a willingness to serve all residents in the proposed service area. However, the applicant did not provide instances that show there is limited access in the proposed service area.

It appears this criterion has partially been met.

5. **Indigent Care.** The applicant should include a plan for its care of indigent patients in the Service Area, including:
 - a. Demonstrating a plan to work with community-based organizations in the Service Area to develop a support system to provide hospice services to the indigent and to conduct outreach and education efforts about hospice services.
 - b. Details about how the applicant plans to provide this outreach.
 - c. Details about how the applicant plans to fundraise in order to provide indigent and/or charity care.

Indigent outreach and educations efforts will be conducted to various groups in Putnam County.

Life House Hospice will maintain a hospice memorial fund consisting of proceeds from a shop called Precious Memories, owned by the non-profit Friends of Life House.

The Projected Data Chart of the applicant reflects the following:

- *Charity Care at approximately 0.63% of total gross revenue in Year One and 0.94% in Year Two equaling to \$1,000 and \$3,000, respectively.*

- Charity Care calculates to .075 cases of 12 total cases per year in Year One increasing to 0.22 cases of 24 total cases per year in Year Two.
- Charity Care Calculated in patient days equal 4.55 in Year One and 13.67 in Year Two.

Since the average length of stay for each hospice patient is 60 days, it appears a total of 4.55 visits and 13.67 visits in Year One and Year Two for charity care are being projected.

It appears this criterion has been met.

6. **Quality Control and Monitoring:** The applicant should identify and document its existing or proposed plan for data reporting, quality improvement, and outcome and process monitoring system. Additionally, the applicant should provide documentation that it is, or intends to be, fully accredited by the Joint Commission, the Community Health Accreditation Program, Inc., and the Accreditation Commission for Health Care, and/or other accrediting body with deeming authority for hospice services from the Centers for Medicare and Medicaid Services (CMS) or CMS licensing survey.

The applicant indicates Life House Hospice will meet all Medicare data reporting requirements. The applicant plans to work toward accreditation by the Community Health Accreditation Program (CHAP) which measures 5 quality indicators (management, quality, client outcomes, adequate resources and long-term viability).

It appears this criterion has been met.

7. **Data Requirements:** Applicants should agree to provide the Department of Health and/or the Health Services and Development Agency with all reasonably requested information and statistical data related to the operation and provision of services and to report that data in the time and format requested. As a standard of practice, existing data reporting streams will be relied upon and adapted over time to collect all needed information.

The applicant agrees to provide all required information and data as listed above.

It appears this criterion has been met.

8. **Education.** The applicant should provide details of its plan in the Service Area to educate physicians, other health care providers, hospital discharge planners, public health nursing agencies, and others in the

community about the need for timely referral of hospice patients.

The applicant describes a general plan to meet with the above identified providers on page 8 of the supplemental response. The applicant will employ a community Registered Nurse Liaison for community outreach and education.

It appears this criterion has been met.

9. **Need Formula.** The need for Hospice Services shall be determined by using the following Hospice Need Formula, which shall be applied to each county in Tennessee:

$A / B = \text{Hospice Penetration Rate}$

Where:

A = the mean annual number of Hospice unduplicated patients served in a county for the preceding two calendar years as reported by the Tennessee Department of Health;

and

B = the mean annual number of Deaths in a county for the preceding two calendar years as reported by the Tennessee Department of Health.

Note that the Tennessee Department of Health Joint Annual Report of Hospice defines "unduplicated patients served" as "number of patients receiving services on day one of reporting period plus number of admissions during the reporting period."

Need shall be established in a county (thus, enabling an applicant to include it in the proposed Service Area) if its Hospice Penetration Rate is less than 80% of the Statewide Median Hospice Penetration Rate and if there is a need shown for at least 120 additional hospice service recipients in the proposed Service Area.

The following formula to determine the demand for additional hospice service recipients shall be applied to each county, and the results should be aggregated for the proposed service area:

$(80\% \text{ of the Statewide Median Hospice Penetration Rate} - \text{County Hospice Penetration Rate}) \times B$

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It appears this criterion is not met. Numerically, when the need formula was applied to Putnam County by the Tennessee Department of Health, no demand for additional services was demonstrated. The formula showed a surplus of 71 patients. The current standard is that need should be demonstrated for at least 120 additional hospice service recipients in the proposed service area.

Staff Summary

The following information is a summary of the original application and all supplemental responses. Any staff comments or notes, if applicable, will be in bold italics.

Life House Hospice, Inc. proposes to offer a comprehensive range of in-home hospice services of routine home care and continuous nursing care. The applicant owns Life House, LLC, a 10 bed 4,450 square foot residential hospice also located at the proposed site of this project at 570 State Street, Cookeville (Putnam County), Tennessee. Life House, LLC, CN1301-001A was approved at the May 22, 2013 Agency meeting. However, the residential hospice had to temporarily cease operations because a stand-alone residential hospice cannot be Medicare-certified. A residential hospice must be attached to a Medicare-certified hospice to meet Medicare certification and reimbursement requirements. The applicant proposes to provide in-home hospice services in order to provide a continuum of hospice services not available in Putnam County and to meet Medicare Certification requirements.

History

- May 22, 2013-Life House, LLC, CN1301-001A a 10 bed residential hospice facility is approved by the Agency with the understanding from the Department of Health that nothing would preclude a residential hospice from being Medicare certified.
- February 6, 2014-Life House, LLC is temporarily licensed by the Tennessee Department of Health.
- February 25, 2014-Life House, LLC admits the first of 9 patients (over a 5 week period) into their residential hospice with the expectation a Medicare Certification survey would be completed.
- March 11, 2014- Life House, LLC contacts the Tennessee Department of Health to schedule a Medicare survey.
- March 24, 2014-After several phone conversations and emails to The Tennessee Department of Health and Centers for Medicare and Medicaid Services (CMS), Life House is informed the residential hospice cannot be certified for Medicare on its own and must be operated by a Medicare certified hospice.

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- April 4, 2014-The last of 9 patients admitted to the Residential Hospice passes away.
- May 21, 2014-Life House Hospice, Inc. files a Letter of Intent for an emergency Certificate of Need to establish a home care organization to provide hospice services in Putnam County. The emergency request was necessary because the residential hospice had to temporarily cease operations due to its inability to be Medicare-certified.
- May 28, 2014-The Agency approves an Emergency Certificate of Need for the establishment of a home care organization providing hospice services in Putnam County. The emergency Certificate of Need is valid until September 25, 2014 (120 days).
- August 13, 2014-Life House, Inc. receives its initial license.

The applicant provides additional background information on pages 26-28 of the application. An overview of the project is provided in the Executive Summary of the original application.

Ownership

- Life House Hospice, Inc. is 100% owned by Connie Mitchell.
- Life House Hospice, Inc. is an active Tennessee registered for-profit corporation that was formed in May 2014.
- The applicant also owns and operates Life House Hospice, Inc., a 10 bed 4,450 square foot residential hospice which was approved at the May 22, 2013 Agency meeting.

Facility Information

- The applicant will lease 250 square feet of office space located in Life House Hospice, Inc.
- The lease with Life House Hospice, Inc. will include the office and common areas and utilities.
- A floor plan is provided in Attachment 4, Section B.

Project Need

The applicant seeks to deliver general in-home hospice services to residents in Putnam County. The rationale for this project includes:

- The approval of this application is needed to meet CMS certification requirements to be licensed as both an in-home hospice and a residential hospice provider. The applicant attempted to partner with an existing in-home hospice licensed in Putnam County to meet CMS requirements, but was unsuccessful.

- If approved, the applicant will be the only hospice provider in Putnam County providing a full continuum of care that includes in-home care and inpatient hospice services.

Service Area Demographics

Life House Hospice's declared service area is Putnam County.

- The total population of Putnam County is estimated at 77,024 residents in calendar year (CY) 2014 increasing by approximately 7.3% to 82,623 residents in CY 2018.
- The overall statewide population is projected to grow by 3.7% from 2014 to 2018.
- The 65 and older population in the service area will decrease from 15.2% of the general population in 2014 to 15.0% in 2018. The statewide 65 and older population will increase from 14.9% in 2014 of the general population to 16.1% in 2018.
- The latest 2014 percentage of the proposed service area population enrolled in the TennCare program is approximately 18.9%, as compared to the statewide enrollment proportion of 18.8%.

Sources: Tennessee Department of Health, Division of Policy, Planning and Assessment, Office of Health Statistics, U.S. Census Bureau, Bureau of TennCare.

Service Area Historical Utilization

The trend of hospice patients served in the proposed service area is presented in the table on the following page.

- The chart below demonstrates there was a decrease of 7.25% in hospice patients served in Putnam County area between 2011 and 2013.
- Of the 4 hospice providers in the proposed service area, Caris Healthcare (Rutherford County) demonstrated the highest percentage increase in hospice patients from 143 patients in 2011 to 181 in 2013, a 26.5% increase.
- Avalon Hospice (Davidson County) experienced the largest decrease in patient volume from 149 patients in 2011 to 88 patients in 2013, a 40.1% decrease.
- Amedisys Hospice and Adventa Company (Knox County) is licensed in Putnam County but has not served any Putnam County patients from 2011 to 2013.

2011-2013 HOSPICE UTILIZATION TRENDS-SERVICE AREA

Agency/Parent County	2011 Patients	2012 Patients	2013 Patients	2011- 2013 % change
Avalon Hospice /Davidson	149	87	88	-40.1%
Amedisys Hospice and Adventa Company/Knox	0	0	0	N/A
Gentiva Hospice (Odyssey Hospice)/Putnam	39	40	38	-2.6%
Caris Healthcare/Rutherford	143	171	181	26.5%
Service Area Total	331	298	307	-7.25%

Source: 2011-2013 Joint Annual Reports

Hospice Market Share of Service Area/Agency

The chart below reveals the following market share information:

- Caris Healthcare (Rutherford County) had the largest market share of just over 58% in 2013.
- Avalon Hospice (Davidson County and Gentiva Hospice (Putnam County) market share of Putnam County represented 28.66% and 12.38%, respectively.
- Gentiva Hospice /Odyssey Hospice (Putnam County) reflected the highest dependence on the service area with 181 of their total 1,037 patients, or 19.9% residing in Putnam County.

2013 Hospice Agency Service Market Share and Patient Origin

Agency/County	Agency Patients From Service Area	% Market Share	Total Patients Served	% Dependence on Service Area
Avalon Hospice /Davidson	88	28.66%	1,415	6.22%
Amedisys Hospice and Adventa	0	0.00%	1,656	0.00%
Gentiva Hospice (Odyssey Hospice)/Putnam	38	12.38%	191	19.90%
Caris Healthcare/Rutherford	181	58.96%	1,037	17.45%
TOTAL	307	100.0%	4,299	7.1%

Source: 2013 Joint Annual Report

Project Utilization

- 12 patients with an average daily census (ADC) of 3.9 patients is projected in Year One of the proposed project increasing to 24 patients with an ADC of 5.9 patients in Year Two. The projected average hospice patient length of stay is 60 days in Year 1 and Year 2.

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Project Cost

Total project cost is \$8,880. The total estimated project costs are:

- Legal/administrative/consultant fees of \$1,080 and a \$3,000 filing fee
- Supplies: \$1,200
- Facility Lease-\$3,600.

Historical Data Chart

Since this is a new proposed hospice provider, a historical data chart was not provided.

Projected Data Chart

The Projected Data Chart reflects \$157,920.00 in total gross revenue on 12 cases during the first year of operation and \$315,840 on 24 cases in Year Two (approximately \$13,160 per case). The Projected Data Chart reflects the following:

- Net operating income less capital expenditures for the applicant will equal \$20,600 in Year One increasing to \$48,000 in Year Two.
- Net operating revenue after charity care and contractual adjustments is expected to reach \$114,240 or approximately 36.2% of total gross revenue in Year Two.
- Charity care at approximately 0.63% of total gross revenue in Year One and 0.94% in Year Two equaling to \$1,000 and \$3,000, respectively.
- Charity Care calculates to .075 cases per year in Year One and 0.22 cases per year in Year Two.

Charges

In Year One of the proposed project, the average charge per case is as follows:

- The proposed average gross charge is \$13,160/case in Year One.
- The average deduction is \$4,718/case, producing an average net charge of \$8,358/case.

Medicare/TennCare Payor Mix

- Medicare- Charges will equal \$156,420 in Year One representing 99% of net operating revenue
- There will be no charges to TennCare/Medicaid.

Financing

A letter dated June 27, 2014 from Jack Mitchell, Chief Financial Officer of Life House Hospice, confirms the applicant has sufficient cash reserves to finance the proposed project.

Staffing

The applicant's proposed direct patient care staffing in Year One includes the following:

- 0.40 FTE Registered Nurse, and
- 0.40 FTE Certified Nursing Assistants, and
- 0.10 Social Worker, and
- 0.10 Chaplain

Licensure/Accreditation

Life House Hospice will be licensed by the Tennessee Department of Health. In addition, the applicant plans to be accredited by the Community Health Accreditation Program (CHAP).

Corporate and property documentation are on file at the Agency office and will be available at the Agency meeting.

Should the Agency vote to approve this project, the CON would expire in two years.

CERTIFICATE OF NEED INFORMATION FOR THE APPLICANT

There are no other Letters of Intent, denied or pending applications for this applicant.

Outstanding Certificates of Need

Life House Hospice, CN1405-016AY, obtained an emergency Certificate of Need on May 28, 2014 to temporarily establish a home care organization providing hospice services in Putnam County, Tennessee. The CON is valid for 120 days.

CERTIFICATE OF NEED INFORMATION FOR OTHER SERVICE AREA FACILITIES:

There are no other Letters of Intent, pending applications, or outstanding Certificates of Need for other health care organizations in the service area proposing this type of service.

Bristol Hospice-Eastern Tennessee, LLC CN1111-043D, was denied at the February 22, 2012 Agency meeting. The application was for the establishment and initiation of hospice services in the counties of Anderson, Bledsoe, Blount, Bradley, Campbell, Cumberland, Fentress, Loudon, Marion, McMinn, Meigs, Monroe, Morgan, Overton, Pickett, Putnam, Rhea, Roane, Scott, Sequatchie, Sevier, Van Buren and White. Project Cost was \$603,000. Reason for Denial: There

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Sevier, Van Buren and White. Project Cost was \$603,000. Reason for Denial: There was a lack of need and no evidence that patients were not able to access hospice services in the service area.

PLEASE REFER TO THE REPORT BY THE DEPARTMENT OF HEALTH, DIVISION OF HEALTH STATISTICS, FOR A DETAILED ANALYSIS OF THE STATUTORY CRITERIA OF NEED, ECONOMIC FEASIBILITY, AND CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE IN THE AREA FOR THIS PROJECT. THAT REPORT IS ATTACHED TO THIS SUMMARY IMMEDIATELY FOLLOWING THE COLOR DIVIDER PAGE.

PME
09/03/2014

LETTER OF INTENT



State of Tennessee 14
Health Services and Development Agency

Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364

Fax: 615-741-9884

LETTER OF INTENT

The Publication of Intent is to be published in the Herald Citizen which is a newspaper
(Name of Newspaper)
of general circulation in Putnam, Tennessee, on or before June 10, 2014,
(County) (Month / day) (Year)
for one day.

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 *et seq.*, and the Rules of the Health Services and Development Agency, that:

Life House Hospice, INC
(Name of Applicant)

N/A

(Facility Type-Existing)

owned by: Connie Mitchell with an ownership type of Corporation

and to be managed by: self managed intends to file an application for a

Certificate of Need for [PROJECT DESCRIPTION BEGINS HERE]:

Life House Hospice, Inc has filed a request for a certificate of need to establish a Home Care organization to provide hospice services in Putnam County. The Hospice agency will be located at Life House Hospice (a licensed residential hospice) at 570 State St, Cookeville, Putnam County, TN 38501. The cost of the project is expected to be \$7800.

The request to provide hospice services is necessary because the residential hospice had to temporarily cease operations due to its inability to be Medicare-certified because CMS will not certify a stand-alone residential hospice. A residential hospice must be attached to a Medicare-certified hospice in order to be reimbursed for care of Medicare patients. The temporary cessation of business for the residential hospice has resulted in no residential services at all in Putnam County. Life House Hospice, Inc will provide both in-home and residential inpatient care which is a continuum of care currently not available in Putnam County.

The anticipated date of filing the application is: June 10, 2014

The contact person for this project is Connie Mitchell President
(Contact Name) (Title)

who may be reached at: Life House Hospice, Inc 570 State St, Cookeville, Tn 38501
(Company Name) (Address)

931-881-6417
(Area Code / Phone Number)

Connie Mitchell
(Signature)

6/10/14
Date

cjmitchell0347@gmail.com
(E-mail Address)

COPY

-Application

Life House

Hospice

CN1406-023

Zip Code

Fax Number

Zip Code

Other (Specify) _____

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5. **Name of Management/Operating Entity (If Applicable)**

Life House Hospice, Inc.

Name

570 State St

Street or Route

Putnam

County

Cookeville

City

TN

State

38501

Zip Code

**PUT ALL ATTACHMENTS AT THE END OF THE APPLICATION IN ORDER AND
REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.**

6. **Legal Interest in the Site of the Institution (Check One)**

A. Ownership ☐

B. Option to Purchase ☐

C. Lease of 3 Years ☐

D. Option to Lease ☐

E. Other (Specify) ☐

**PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND
REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.**

7. **Type of Institution (Check as appropriate--more than one response may apply)**

A. Hospital (Specify) ☐

B. Ambulatory Surgical Treatment
Center (ASTC), Multi-Specialty ☐

C. ASTC, Single Specialty ☐

D. Home Health Agency ☐

E. Hospice ☒

F. Mental Health Hospital ☐

G. Mental Health Residential
Treatment Facility ☐

H. Mental Retardation Institutional
Habilitation Facility (ICF/MR) ☐

I. Nursing Home ☐

J. Outpatient Diagnostic Center ☐

K. Recuperation Center ☐

L. Rehabilitation Facility ☐

M. Residential Hospice ☐

N. Non-Residential Methadone
Facility ☐

O. Birthing Center ☐

P. Other Outpatient Facility
(Specify) ☐

Q. Other (Specify) ☐

8. **Purpose of Review (Check) as appropriate--more than one response may apply)**

A. New Institution ☒

B. Replacement/Existing Facility ☐

C. Modification/Existing Facility ☐

D. Initiation of Health Care
Service as defined in TCA §

68-11-1607(4)

(Specify) hospice ☒

E. Discontinuance of OB Services ☐

F. Acquisition of Equipment ☐

G. Change in Bed Complement

[Please note the type of change
by underlining the appropriate
response: Increase, Decrease,
Designation, Distribution,
Conversion, Relocation]

H. Change of Location ☐

I. Other (Specify) ☐

9. Bed Complement Data N/A*Please indicate current and proposed distribution and certification of facility beds.*

	<u>Current Beds Licensed</u>	<u>*CON</u>	<u>Staffed Beds</u>	<u>Beds Proposed</u>	<u>TOTAL Beds at Completion</u>
A. Medical	_____	_____	_____	_____	_____
B. Surgical	_____	_____	_____	_____	_____
C. Long-Term Care Hospital	_____	_____	_____	_____	_____
D. Obstetrical	_____	_____	_____	_____	_____
E. ICU/CCU	_____	_____	_____	_____	_____
F. Neonatal	_____	_____	_____	_____	_____
G. Pediatric	_____	_____	_____	_____	_____
H. Adult Psychiatric	_____	_____	_____	_____	_____
I. Geriatric Psychiatric	_____	_____	_____	_____	_____
J. Child/Adolescent Psychiatric	_____	_____	_____	_____	_____
K. Rehabilitation	_____	_____	_____	_____	_____
L. Nursing Facility (non-Medicaid Certified)	_____	_____	_____	_____	_____
M. Nursing Facility Level 1 (Medicaid only)	_____	_____	_____	_____	_____
N. Nursing Facility Level 2 (Medicare only)	_____	_____	_____	_____	_____
O. Nursing Facility Level 2 (dually certified Medicaid/Medicare)	_____	_____	_____	_____	_____
P. ICF/MR	_____	_____	_____	_____	_____
Q. Adult Chemical Dependency	_____	_____	_____	_____	_____
R. Child and Adolescent Chemical Dependency	_____	_____	_____	_____	_____
S. Swing Beds	_____	_____	_____	_____	_____
T. Mental Health Residential Treatment	_____	_____	_____	_____	_____
U. Residential Hospice	_____	_____	_____	_____	_____
TOTAL	_____	_____	_____	_____	_____

*CON-Beds approved but not yet in service

10. Medicare Provider Number none seeking certification
 Certification Type Hospice

11. Medicaid Provider Number
none

12. If this is a new facility, will certification be sought for Medicare and/or Medicaid? **yes**

13. *Identify all TennCare Managed Care Organizations/Behavioral Health Organizations (MCOs/BHOs) operating in the proposed service area. Will this project involve the treatment of TennCare participants? y If the response to this item is yes, please identify all MCOs/BHOs with which the applicant has contracted or plans to contract.*

13. Response:

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We will seek contracts with Americhoice, Amerigroup and TennCare Select for our Medicaid patients, if any. We anticipate that most of our patients will be Medicare. For Medicare patients we will contract with Healthsprings of Tennessee, United Healthcare Dual Complete Preferred, United Healthcare AARP Medicare Complete and Winsor Medicare Xtra. Additional contracts will be sought as the need arises.

Discuss any out-of-network relationships in place with MCOs/BHOs in the area.

Response:

We will seek other contract as the need arises.

NOTE: **Section B** is intended to give the applicant an opportunity to describe the project and to discuss the need that the applicant sees for the project. **Section C** addresses how the project relates to the Certificate of Need criteria of Need, Economic Feasibility, and the Contribution to the Orderly Development of Health Care. **Discussions on how the application relates to the criteria should not take place in this section unless otherwise specified.**

SECTION B: PROJECT DESCRIPTION

Please answer all questions on 8 1/2" x 11" white paper, clearly typed and spaced, identified correctly and in the correct sequence. In answering, please type the question and the response. All exhibits and tables must be attached to the end of the application in correct sequence identifying the questions(s) to which they refer. If a particular question does not apply to your project, indicate "Not Applicable (NA)" after that question.

- I. Provide a brief executive summary of the project not to exceed two pages. Topics to be included in the executive summary are a brief description of proposed services and equipment, ownership structure, service area, need, existing resources, project cost, funding, financial feasibility and staffing.

Response:

The applicant, Life House Hospice, Inc, 570 State St, Cookeville, TN 38501, a Tennessee corporation, and managed by itself, files this Certificate of Need for the establishment of a non-residential hospice agency to serve Putnam County. The Agency will, also, own and operate Life House Residential Hospice and, as such, will be the only Total Hospice in Putnam. The residential hospice must, according to Medicare Conditions of Participation, offer in-home services to our patients (not just inpatient/residential) in order to be Medicare certified. Thus we must apply for a CON to provide in home services to be certified by Medicare to provide care in our already license inpatient hospice at Life House.

The applicant, once licensed and certified for total hospice in Putnam County, will be able to service the existing in-home Hospice Agencies in Putnam and surrounding counties by offering our inpatient/residential and respite services to their patients, under contract, as well as giving complete services to our patients.

II. Provide a detailed narrative of the project by addressing the following items as they relate to the proposal.

- A.** Describe the construction, modification and/or renovation of the facility (exclusive of major medical equipment covered by T.C.A. § 68-11-1601 et seq.) including square footage, major operational areas, room configuration, etc. Applicants with hospital projects (construction cost in excess of \$5 million) and other facility projects (construction cost in excess of \$2 million) should complete the Square Footage and Cost per Square Footage Chart. Utilizing the attached Chart, applicants with hospital projects should complete Parts A.-E. by identifying as applicable nursing units, ancillary areas, and support areas affected by this project. Provide the location of the unit/service within the existing facility along with current square footage, where, if any, the unit/service will relocate temporarily during construction and renovation, and then the location of the unit/service with proposed square footage. The total cost per square foot should provide a breakout between new construction and renovation cost per square foot. Other facility projects need only complete Parts B.-E. Please also discuss and justify the cost per square foot for this project.

If the project involves none of the above, describe the development of the proposal.

Response:

The development of the proposal is in response to the need to be an in-home hospice in order to be Medicare certified to provide inpatient hospice services at Life House Inpatient Hospice.

- B.** Identify the number and type of beds increased, decreased, converted, relocated, designated, and/or redistributed by this application. Describe the reasons for change in bed allocations and describe the impact the bed change will have on the existing services.

Response:

Not applicable as there are no bed involved in this proposal.

C. As the applicant, describe your need to provide the following health care services (if applicable to this application):

1. Adult Psychiatric Services
2. Alcohol and Drug Treatment for Adolescents (exceeding 28 days)
3. Birthing Center
4. Burn Units
5. Cardiac Catheterization Services
6. Child and Adolescent Psychiatric Services
7. Extracorporeal Lithotripsy
8. Home Health Services
9. Hospice Services
10. Residential Hospice
11. ICF/MR Services
12. Long-term Care Services
13. Magnetic Resonance Imaging (MRI)
14. Mental Health Residential Treatment
15. Neonatal Intensive Care Unit
16. Non-Residential Methadone Treatment Centers
17. Open Heart Surgery
18. Positron Emission Tomography
19. Radiation Therapy/Linear Accelerator
20. Rehabilitation Services
21. Swing Beds

Response: Hospice Services

The applicant, Life House Hospice, Inc, 570 State St, Cookeville, TN 38501, and managed by itself, files this Certificate of Need for the establishment of a non-residential hospice agency to serve Putnam County. The Agency will, also, own and operate Life House Residential Hospice and, as such, will be the only Total Hospice in Putnam. We need the in-home hospice in order to be Medicare certified to be reimbursed for inpatient hospice.

D. Describe the need to change location or replace an existing facility.

Response: Not Applicable

E. Describe the acquisition of any item of major medical equipment (as defined by the Agency Rules and the Statute) which exceeds a cost of \$1.5 million; and/or is a magnetic resonance imaging (MRI) scanner, positron emission tomography (PET) scanner, extracorporeal lithotripter and/or linear accelerator by responding to the following:

Response: E 1-3 not applicable

1. For fixed-site major medical equipment (not replacing existing equipment):
 - a. Describe the new equipment, including:
 1. Total cost ;(As defined by Agency Rule).
 2. Expected useful life;
 3. List of clinical applications to be provided; and
 4. Documentation of FDA approval.

- b. Provide current and proposed² schedules of operations.
 2. For mobile major medical equipment:
 - a. List all sites that will be served;
 - b. Provide current and/or proposed schedule of operations;
 - c. Provide the lease or contract cost.
 - d. Provide the fair market value of the equipment; and
 - e. List the owner for the equipment.
 3. Indicate applicant's legal interest in equipment (*i.e.*, purchase, lease, etc.)
In the case of equipment purchase include a quote and/or proposal from an equipment vendor, or in the case of an equipment lease provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments.

Response: See attached lease

III. (A) Attach a copy of the plot plan of the site on an 8 1/2" x 11" sheet of white paper which **must** include:

1. Size of site (*in acres*);
2. Location of structure on the site; and
3. Location of the proposed construction.
4. Names of streets, roads or highway that cross or border the site.

Please note that the drawings do not need to be drawn to scale. Plot plans are required for all projects.

Response:

See attached plot plan.

- (B)** 1. Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients.

Response:

Cats, the Cookeville bus System, runs throughout Putnam county and stops on Willow Avenue which is within a few blocks of our proposed office. Upper Cumberland, also, has U-Cart, which is a System of transportation that operates for \$0-2.00 per trip by appointment, for folk in all of our counties needing transportation. We are located within a mile of I-40 our east/west corridor.

IV. Attach a floor plan drawing for the facility which includes legible labeling of patient care rooms (noting private or semi-private), ancillary areas, equipment areas, etc. on an 8 1/2" x 11" sheet of white paper.

NOTE: **DO NOT SUBMIT BLUEPRINTS.** Simple line drawings should be submitted and need not be drawn to scale.

Response;

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See attached floor plan.

For a Home Health Agency or Hospice, identify:

1. Existing service area by County;

Response: N/A.

2. Proposed service area by County;

Response: Putnam County, Life House Home Hospice services.

3. A parent or primary service provider;

Response: N/A

4. Existing branches; and

Response: N/A

5. Proposed branches.

Response: N/A

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

In accordance with Tennessee Code Annotated § 68-11-1609(b), "no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, and will contribute to the orderly development of health care." The three (3) criteria are further defined in Agency Rule 0720-4-.01. Further standards for guidance are provided in the state health plan (Guidelines for Growth), developed pursuant to Tennessee Code Annotated §68-11-1625.

The following questions are listed according to the three (3) criteria: (I) Need, (II) Economic Feasibility, and (III) Contribution to the Orderly Development of Health Care. Please respond to each question and provide underlying assumptions, data sources, and methodologies when appropriate. Please type each question and its response on an 8 1/2" x 11" white paper. All exhibits and tables must be attached to the end of the application in correct sequence identifying the question(s) to which they refer. If a question does not apply to your project, indicate "Not Applicable (NA)."

QUESTIONS

NEED

1. Describe the relationship of this proposal toward the implementation of the State Health Plan and Tennessee's Health: Guidelines for Growth.
 - a. Please provide a response to each criterion and standard in Certificate of Need Categories that are applicable to the proposed project. Do not provide responses to General Criteria and Standards (pages 6-9) here.

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Response:

1. **Adequate Staffing: Life House Hospice, Inc** will comply with the general staffing guidelines and qualifications set forth by the National Hospice and Palliative Care Organization
2. **Community Linkage Plan:** The applicant has relationships with the hospitals, hospice providers, physicians, and has working agreements with other related community services assuring continuity of care focusing on coordinated, integrated systems. Letters from physicians and Cookeville Regional in support of our application show a need for total hospice services. CRMC Cancer Center, in the response from their director Lisa Bagci, had 151 hospice appropriate patients they could have referred to total hospice services in 2013. See Attachment 8 Letters of support.
3. **Proposed Charges:** The average gross charge of \$140.00 is the same as used on the approved application of All Care Plus dba Quality Hospice in 2012. Avalon, Caris and Gentiva in Putnam have an average gross charge for routine care of \$149, \$138 and \$132 respectively. The average of the rate for the providers in Putnam County is \$139.67.
4. **Access:** There is no Total Hospice Care available in Putnam County.
5. **Indigent Care.** The non-profit Friends of Life House, Inc has a shop called Precious Memories that takes all proceeds go to hospice indigent care and hospice patient needs.
6. **Quality Control and Monitoring:** Life House Hospice, Inc will adhere to and report all required data from all reporting agencies to include but not limited to The State of Tennessee, Medicare and NHPCO.
7. **Data Requirements:** Life House Hospice, Inc will adhere to and report all required data from all reporting agencies to include but not limited to The State of Tennessee, Medicare and NHPCO.
8. **Education.** We will provide in the Service Area an RN liason to educate physicians, other health care providers, hospital discharge planners, public health nursing agencies, and others in the community about the need for timely referral of hospice patients.

The inpatient hospice, inpatient respite, and continuous care utilization according to Medicare is least likely to be utilized in the south where routine care is primarily utilized.

The chart shows hospice patients by provider in Putnam County in 2012 and 2013.

*Hospice Patients served in Putnam County
Jar Reports 2012/2013*

<i>Providers Putnam County</i>	<i>2012 Total patients served</i>	<i>2013 Total patients served</i>	<i>2013 Other than routine in- home Putnam</i>	<i>2013 Other than routine in- home Davidson</i>
<i>Avalon</i>	87	88	5%	5%
<i>Gentiva</i>	40	35	5%	19.5%
<i>Caris</i>	171	181	11%	18.2%
<i>Amedysis</i>	0	0	0	0
<i>Total Hospice Patients</i>	298	304	8%	15%

As we can see from the statistic our underserved market is the **other than in-home** care at only 8% which would include inpatient and respite care. Gentiva in Davidson County for example, where inpatient hospice is more available, shows on its 2013 JAR a 19.5% inpatient usage. The driving factor is availability of inpatient and respite services. Total hospice services are available primarily in Metropolitan areas in Tennessee, Nashville, Knoxville, Memphis and Chattanooga. We are just beginning to see more rural communities like Crossville and Cookeville with small inpatient services to serve the community and surrounding areas and making available the services that had been only available in larger cities. As we can see from the chart, our terminally ill population is not being served with total hospice services as often as in the Metropolitan segment primarily due to lack of services available.

Many of the interpretations that were applicable when the Hospice Program became billable to Medicare in 1983 are not relevant today. As our population ages, we see many more caregivers in the hospice home situation that are unable to care for their loved one through the entire hospice process, especially the dying process. More and more often we are seeing, as our Medical Director, Dr. Harold Chertok, says, the caregiver needing the care as much as the hospice patient. Medicare statistics show that where inpatient is available, it is used. Those facts reinforce the second Principle for Achieving Better Health in Tennessee which is access to care. Access is being denied to some of our most vulnerable dying patients and, therefore, many are not receiving the care they need and deserve. Our own statistical inpatient data in Tennessee, as noted in the revised standards and criteria, is not as accurate as it could be. It is becoming evident as the data is available, that the patients, the hospitals for readmit purposes, the nursing homes and even Medicare from a cost effective standpoint will find the continuum of care is everyone's best practice.

- b. Applications that include a Change of Site for a health care institution, provide a response to General Criterion and Standards (4)(a-c)

The State of Tennessee has improved in the national standing for healthcare services from 44th in the Nation to 39th over the past several years by adhering to and utilizing the following Five Principals for Better Healthcare which our project supports:

1. The purpose of the State Health Plan is to improve the health of Tennesseans.

Our project will improve the health care and symptom control for our terminally ill residents and give them a total continuum of care at a time when this is their only wish and need.

2. Every citizen should have reasonable access to health care.

Access to adequate "Total Hospice" is significantly less in non-metropolitan areas of Tennessee as we have shown in the prior charts in Need 1.A. from the 2013 Jar reports for other hospice providers in Putnam County.

3. The State's health care resources should be developed to address the needs of Tennesseans while encouraging competitive markets, economic efficiencies and the continued development of the State's health care system.

Our position continues to support the concept of the "Total Hospice Provider" in our Micropolitan and rural settings in Tennessee. This will allow for the in-home hospices to have available to their terminally ill patients all the services the Medicare Conditions of Participation demand. Based on our research of hospices utilization of inpatient services, this has not been the situation in the past and there are statistics from Medicare inpatient utilization that demands answers to "why no inpatient care" in many areas.

4. Every citizen should have confidence that the quality of health care is continually monitored and standards are adhered to by health care providers.

We will adhere to and provide all information requested and required by all monitoring agencies.

5. The state should support the development, recruitment, and retention of a sufficient and quality health care workforce.

Life House Hospice will work with our healthcare staff to continue their educational skills in order to bring our patients the best possible care in the hospice field. We, also, plan to work with the nursing department at Tennessee Tech to offer internships to future healthcare professionals.

2. Describe the relationship of this project to the applicant facility's long-range development plans, if any.

Response:

Life House was not created with the intention of establishing another in-home hospice provider. Our goal was create a home-like residential facility that could support existing hospice agencies by providing access to inpatient and respite care services and to provide residential services for families who could not care for their loved ones at home. Many times complications arise and older spouses/caregivers are just unable to provide the level of care a patient may need.

It is my hope that in the future Medicare will recognize residential hospice as a stand-alone category of care that could support multiple hospice agencies that provide in-home care. This could be a model for more rural areas to offer full hospice services. Unfortunately, the Medicare program does not currently recognize residential hospice as a stand-alone category of care and since Medicare is the primary payer of hospice services, Life House Residential Hospice cannot survive without Medicare reimbursement. We have no choice but to apply for a certificate of need to establish a Total Hospice agency so it can continue to offer the residential services it had already established (and had to suspend). Life House Hospice recognizes that it will have to provide hospice care in the home and will do so as required to meet Medicare Conditions of Participation. By approving this, Life House Hospice will be able to offer a continuum of care that is not currently available in Putnam County.

Tennessee has a program, TDH Community Health Assessment Program, that I hope will address the very issues I have found in the hospice system both in Tennessee and nationwide through Medicare and I intend to fully engage with them in an effort to update hospice standards, criteria and quality of care.

TDH Community Health Assessment Program. The TDH has initiated a program that empowers the state's system of local health councils to research, identify, and plan for work to address specific health care issues in the local community. The process will result in the ability to take successful programs to scale across the state.

The issue of the quality of health care provided in the United States has received increased attention in recent years. The Institute of Medicine, a science-based non-profit organization with a mission to advise the nation on health matters, defines "high quality care" as care that is:

- **Safe:** avoiding injuries to patients from the care that is intended to help them;
- **Effective:** providing services based on scientific knowledge to all who could benefit and refraining from providing services to those not likely to benefit (avoiding under use and overuse, respectively);
- **Patient-centered:** providing care that is respectful of and responsive to individual patient preferences, needs, and values and ensuring that patient values guide all clinical decisions;
- **Timely:** reducing waits and sometimes harmful delays for both those who receive and those who give care;
- **Efficient:** avoiding waste, including waste of equipment, supplies, ideas, and energy; and
- **Equitable:** providing care that does not vary in quality because of personal characteristics such as gender, ethnicity, geographic location, and socioeconomic status.

3. Identify the proposed service area and justify the reasonableness of that proposed area. Submit a county level map including the State of Tennessee clearly marked to reflect the service area. **Please submit the map on 8 1/2" x 11" sheet of white paper marked only with ink detectable by a standard photocopier (i.e., no highlighters, pencils, etc.).**

Response:

Putnam County, where Life House Residential Hospice, is located is the only county we will need in order to meet the Medicare Conditions of Participation.

4. A. Describe the demographics of the population to be served by this proposal.

Response:

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Putnam County had in 2010, according to the State of Tennessee certified population statistics 72321 and projections in 2015 of 77372 residents, with 9.8% of its population over 65 as compared to the State of Tennessee with only 9.5% over 65. We are, according to the *Where to Retire Magazine* and the *American Chamber of Commerce*, one of the most affordable and best places to retire. The influx of retirees, leaving their families and support systems to move here, leaves us with an aging population with no extended family as natural caregivers.

- B. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly the elderly, women, racial and ethnic minorities, and low-income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.

Response:

Our service area population has a median income of 20% below the State average and a population that is 41.1 years average age as opposed to the State average of 37.8 years. We have an aging population with less income to support their health care needs. This coupled with an influx of retirees, results in a negative factor in the health care sector that our total hospice approach will help fill the needs of our community.

5. Describe the existing or certified services, including approved but unimplemented CONs, of similar institutions in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. Be certain to list each institution and its utilization and/or occupancy individually. Inpatient bed projects must include the following data: admissions or discharges, patient days, and occupancy. Other projects should use the most appropriate measures, e.g., cases, procedures, visits, admissions, etc.

Response:

*Hospice Patients served in Putnam County
Jar Reports*

<i>Providers Putnam County</i>	<i>2012 Total patients served</i>	<i>2013 Total patients served</i>	<i>2013 Other than routine in- home Putnam</i>	<i>2013 Other than routine in- home Davidson</i>
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<i>Caris</i>	171	181	11%	18.2%
<i>Amedysis</i>	0	0	0	0
<i>Total Hospice Patients</i>	298	304	8%	15%

6. Provide applicable utilization and/or occupancy statistics for your institution for each of the past three (3) years and the projected annual utilization for each of the two (2) years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology must **include detailed** calculations or documentation from referral sources, and identification of all assumptions.

Response: Not Applicable

ECONOMIC FEASIBILITY

1. Provide the cost of the project by completing the Project Costs Chart on the following page. Justify the cost of the project.
 - All projects should have a project cost of at least \$3,000 on Line F. (Minimum CON Filing Fee). CON filing fee should be calculated from Line D. (See Application Instructions for Filing Fee)
 - The cost of any lease (building, land, and/or equipment) should be based on fair market value or the total amount of the lease payments over the initial term of the lease, whichever is greater. Note: This applies to all equipment leases including by procedure or "per click" arrangements. The methodology used to determine the total lease cost for a "per click" arrangement must include, at a minimum, the projected procedures, the "per click" rate and the term of the lease.
 - The cost for fixed and moveable equipment includes, but is not necessarily limited to, maintenance agreements covering the expected useful life of the equipment; federal, state, and local taxes and other government assessments; and installation charges, excluding capital expenditures for physical plant renovation or in-wall shielding, which should be included under construction costs or incorporated in a facility lease.
 - For projects that include new construction, modification, and/or renovation; **documentation must be** provided from a contractor and/or architect that support the estimated construction costs.

PROJECT COSTS CHART

SUPPLEMENTAL #1

June 23, 2014

1:35 pm

A. Construction and equipment acquired by purchase:

1. Architectural and Engineering Fees	
2. Legal, Administrative (Excluding CON Filing Fee), Consultant Fees License fee	1080
3. Acquisition of Site	
4. Preparation of Site	
5. Construction Costs	
6. Contingency Fund	
7. Fixed Equipment (Not included in Construction Contract)	
8. Moveable Equipment (List all equipment over \$50,000)	
9. Other (Specify) <u>supplies</u>	1200

B. Acquisition by gift, donation, or lease:

1. Facility (inclusive of building and land)	3600
2. Building only	
3. Land only	
4. Equipment (Specify) _____	
5. Other (Specify) _____	

C. Financing Costs and Fees:

1. Interim Financing	
2. Underwriting Costs	
3. Reserve for One Year's Debt Service	
4. Other (Specify) _____	

**D. Estimated Project Cost
(A+B+C)**

E. CON Filing Fee 3000

**F. Total Estimated Project Cost
(D+E)**

TOTAL \$8880

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1. Identify the funding sources for this project.

Please check the applicable item(s) below and briefly summarize how the project will be financed. (***Documentation for the type of funding MUST be inserted at the end of the application, in the correct alpha/numeric order and identified as Attachment C, Economic Feasibility-2.***)

- ☐ A. Commercial loan--Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions;
 - ☐ B. Tax-exempt bonds--Copy of preliminary resolution or a letter from the issuing authority stating favorable initial contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance;
 - ☐ C. General obligation bonds--Copy of resolution from issuing authority or minutes from the appropriate meeting.
 - ☐ D. Grants--Notification of intent form for grant application or notice of grant award; or
 - ☒ E. Cash Reserves--Appropriate documentation from Chief Financial Officer.
 - ☐ F. Other--Identify and document funding from all other sources.
2. Discuss and document the reasonableness of the proposed project costs. If applicable, compare the cost per square foot of construction to similar projects recently approved by the Health Services and Development Agency.
 3. Complete Historical and Projected Data Charts on the following two pages--**Do not modify the Charts provided or submit Chart substitutions!** Historical Data Chart represents revenue and expense information for the last *three* (3) years for which complete data is available for the institution. Projected Data Chart requests information for the two (2) years following the completion of this proposal. Projected Data Chart should reflect revenue and expense projections for the ***Proposal Only*** (i.e., if the application is for additional beds, include anticipated revenue from the proposed beds only, not from all beds in the facility).
 4. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge.

HISTORICAL DATA CHART N/A

Give information for the last *three (3)* years for which complete data are available for the facility or agency. The fiscal year begins in _____ (Month).

	Year_____	Year_____	Year_____
A. Utilization Data (Specify unit of measure)	_____	_____	_____
B. Revenue from Services to Patients			
1. Inpatient Services	\$_____	\$_____	\$_____
2. Outpatient Services	_____	_____	_____
3. Emergency Services	_____	_____	_____
4. Other Operating Revenue (Specify) _____	_____	_____	_____
Gross Operating Revenue	\$_____	\$_____	\$_____
C. Deductions from Gross Operating Revenue			
1. Contractual Adjustments	\$_____	\$_____	\$_____
2. Provision for Charity Care	_____	_____	_____
3. Provisions for Bad Debt	_____	_____	_____
Total Deductions	\$_____	\$_____	\$_____
NET OPERATING REVENUE	\$_____	\$_____	\$_____
D. Operating Expenses			
1. Salaries and Wages	\$_____	\$_____	\$_____
2. Physician's Salaries and Wages	_____	_____	_____
3. Supplies	_____	_____	_____
4. Taxes	_____	_____	_____
5. Depreciation	_____	_____	_____
6. Rent	_____	_____	_____
7. Interest, other than Capital	_____	_____	_____
8. Management Fees:			
a. Fees to Affiliates	_____	_____	_____
b. Fees to Non-Affiliates	_____	_____	_____
9. Other Expenses (Specify) _____	_____	_____	_____
Total Operating Expenses	\$_____	\$_____	\$_____
E. Other Revenue (Expenses) – Net (Specify)	\$_____	\$_____	\$_____
NET OPERATING INCOME (LOSS)	\$_____	\$_____	\$_____
F. Capital Expenditures			
1. Retirement of Principal	\$_____	\$_____	\$_____
2. Interest	_____	_____	_____
Total Capital Expenditures	\$_____	\$_____	\$_____
NET OPERATING INCOME (LOSS)			
LESS CAPITAL EXPENDITURES	\$_____	\$_____	\$_____

SUPPLEMENTAL #2**PROJECTED DATA CHART****June 27, 2014****8:18 am**

Give information for the two (2) years following the completion of this proposal. The fiscal year begins in July (Month).

	Year <u>2014</u>	Year <u>2015</u>
A. Utilization Data (Specify unit of measure) Patient Days	<u>720</u>	<u>1440</u>
B. Revenue from Services to Patients		
1. Inpatient Services 15% @ \$655 medicare	<u>\$ 70740</u>	<u>\$ 141480</u>
2. Life House Friends, Inc Charity contribution	<u>1500</u>	<u>3000</u>
3. Emergency Services	<u> </u>	<u> </u>
4. Other Operating Revenue (Specify) routine/respite medicare \$140	<u>85680</u>	<u>171360</u>
Gross Operating Revenue	<u>\$ 157920</u>	<u>\$ 315840</u>
C. Deductions from Gross Operating Revenue		
1. Contractual Adjustments	<u>\$ 55620</u>	<u>\$ 111240</u>
2. Provision for Charity Care	<u>1000</u>	<u>3000</u>
3. Provisions for Bad Debt	<u>0</u>	<u>0</u>
Total Deductions	<u>\$ 56620</u>	<u>\$ 114240</u>
NET OPERATING REVENUE	<u>\$ 100300</u>	<u>\$ 198600</u>
D. Operating Expenses		
1. Salaries and Wages	<u>\$ 40000</u>	<u>\$ 75000</u>
2. Physician's Salaries and Wages	<u>5000</u>	<u>10000</u>
3. Supplies	<u>3000</u>	<u>6000</u>
4. Taxes	<u> </u>	<u> </u>
5. Depreciation	<u> </u>	<u> </u>
6. Rent	<u>3600</u>	<u>3600</u>
7. Interest, other than Capital	<u> </u>	<u> </u>
8. Management Fees:		
a. Fees to Affiliates	<u> </u>	<u> </u>
b. Fees to Non-Affiliates	<u> </u>	<u> </u>
9. Other Expenses (Specify) <u>see attached</u>	<u>28100</u>	<u>56000</u>
Total Operating Expenses	<u>\$ 79700</u>	<u>\$ 150600</u>
E. Other Revenue (Expenses) -- Net (Specify)	<u>\$</u>	<u>\$</u>
NET OPERATING INCOME (LOSS)	<u>\$ 20600</u>	<u>\$ 48000</u>
F. Capital Expenditures		
1. Retirement of Principal	<u>\$</u>	<u>\$</u>
2. Interest	<u> </u>	<u> </u>
Total Capital Expenditures	<u>\$</u>	<u>\$</u>
NET OPERATING INCOME (LOSS)		
LESS CAPITAL EXPENDITURES	<u>\$ 20600</u>	<u>\$ 48000</u>

Other Expenses	Year 1	Year 2
Ins, benefits	12000	24000
marketing	2000	1000
Dme, pharmacy	11000	22000
Miscellaneous	38100	9000
	28100	56000

- A. Please provide the current and proposed charge schedules for the proposal. Discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the proposed project and the impact on existing patient charges.

Response:

The average gross charge for routine and inpatient will be \$140.00 per day, with \$16.79 in average deductions, resulting in a net patient charge of \$123.21 per patient day. The 15% of inpatient is under contract with Life House Inpatient Hospice for \$500 per day which will still gross \$140.00 per day. The hospice will have a positive cash flow in the first year.

- B. Compare the proposed charges to those of similar facilities in the service area/adjoining service areas, or to proposed charges of projects recently approved by the Health Services and Development Agency. If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

Response:

The average gross charge of \$140.00 is the same as used on the approved application of All Care Plus dba Quality Hospice in 2012. Avalon, Caris and Gentiva in Putnam have an average gross charge for routine care of \$149, \$138 and \$132 respectively. The average of the rate for the providers in Putnam County is \$139.67.

6. Discuss how projected utilization rates will be sufficient to maintain cost-effectiveness.

Response:

The projected data shows a positive cash flow in the first year as demonstrated in the projected data chart.

7. Discuss how financial viability will be ensured within two years; and demonstrate the availability of sufficient cash flow until financial viability is achieved.

Response:

The projected data shows a positive cash flow in the first year and second years.

8. Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid, and medically indigent patients will be served by the project. In addition, report the estimated dollar amount of revenue and percentage of total project revenue anticipated from each of TennCare, Medicare, or other state and federal sources for the proposal's first year of operation.

Response:

We expect that 99% of our revenue will be from Medicare in our first year of operation. The balance will be from private pay or TennCare.

9. Provide copies of the balance sheet and income statement from the most recent reporting period of the institution and the most recent audited financial statements with accompanying notes, if applicable. For new projects, provide financial information for the corporation, partnership, or principal parties involved with the project. Copies must be inserted at the end of the application, in the correct alpha-numeric order and labeled as Attachment C, Economic Feasibility-10.

Response: See Attachment C, Economic Feasibility-10. Letter from Putnam 1st Mercantile

10. Describe all alternatives to this project which were considered and discuss the advantages and disadvantages of each alternative including but not limited to:
 - a. A discussion regarding the availability of less costly, more effective, and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, the applicant should justify why not; including reasons as to why they were rejected.

Response:**Background**

1. In May of 2012, I met with Mark Farber to ask the details of applying for a Certificate of Need in Putnam and surrounding counties for an inpatient/ residential hospice to be established at 570 State Street in Cookeville, TN. He explained the process and was helpful in pointing me in the right direction. I had my property zoned for hospice use and began preparing the CON application in late 2012. I filed the CON application and as we neared completion of the review, a problem arose that stopped the application process until resolved. The issue was Medicare billing for a stand-alone residential hospice not tied to a home hospice. The question was researched on many levels and finally on March 12, 2013 Vincent Davis, Director of Health Care Facilities for the Tennessee Department of Health, advised Melanie Hill by email that the reimbursement was available. The application was deemed complete by the HSDA staff, sent to the Tennessee Department of Health for review, and then approved by the HSDA on May 22, 2013.
2. After the CON was issued, we proceeded to the licensing division of the Tennessee Department of Health for the building plans review and licensure survey. This took from May 22, 2013 until February 6, 2014 at which time our temporary license was issued. The Board for Licensing Health Care Facilities ratified the license at its May 8, 2014 meeting.
3. Once licensed, we had a month of hiring staff, finalizing contracts (medications, compliance and so forth), and all the other necessary steps to open for patient care. Ramona, the surveyor from the Tennessee Department of Health who conducted our licensure survey, told us that we needed to call for the Medicare survey once we had admitted our first patient.

4. We admitted our first patient on February 25, 2014, our second on the 27th, and the third on March 5. Our first death occurred on March 3rd. Since we had now followed one of our patients and their family through the entire process and scheduled bereavement, I felt we were ready for our Medicare survey.
5. I, on March 11, 2014, called Sharon Carole in the Tennessee Department of Health Regional Office in Knoxville to schedule the survey. She explained they could not do a survey the way CMS sent the paperwork to them (CMS had assumed when we applied to them on the 855c that we were an in-home hospice agency) and she sent me an email explaining deeming organizations that did not need surveys. The same day, I sent them the email from Vincent Davis explaining in his opinion we could be surveyed and be Medicare certified. On March 12, I received a call back from Karen Kirby, Sharon's supervisor, telling me that the approval they received from Medicare for a survey was not useable because we were not a hospice (in-home) provider. Please see attached e-mails.
6. I called Vincent Davis on March 12 and he checked with CMS again. Finally on March 24th he told me that he was sorry but it was not his decision and he must have misunderstood the question. On March 24th he referred me to Peggy Wilkerson at the CMS organization in Baltimore. We have written emails back and forth for three weeks now with the only resolve being that Life House must be a Medicare-certified hospice agency. The residential hospice can be owned and operated by the hospice agency but it cannot be certified for Medicare on its own. Please see attached e-mails.
7. Life House was established under the assumption that it could provide hospice care to patients who needed residential, inpatient, and respite care and that Medicare and other payers for that care would reimburse it. Instead, it was now in a situation where it had admitted and cared for nine patients, had an overhead of \$10,000 a week, and could not receive reimbursement for the services it had already provided. Additionally, there was no way it could provide its unique and needed services in the future. From a compassionate stance, Life House remained open until April 4 when our last patient passed. So from February 25 until April 4, a 5-week period, Life House used its operating line of credit of \$50,000 to remain afloat. I had no choice but to begin to turn down referrals and temporarily suspend services pending Medicare certification. All my advertising, referral sources, the patients that have been waiting for us in the community are without services. Since our temporary closure, I have referred patients to Cumberland House, a residential hospice in Crossville with 6 beds- they are always full, Alive Hospice in Nashville who has to have \$250 a day or it will not provide services, and some folks have had to go home and do the best they can. As I stated previously, we have also received referrals from Vanderbilt's palliative unit, from Cookeville Regional, one from Chicago Cancer center, and many from the community. Our awareness campaign is working but unfortunately we are not.
8. Luckily, Life House has grateful people with good memories, at a very stressful time in their lives. I have cards and letters praising our staff and all they do. I know this is the right thing to do for our fellow human beings that are suffering and many times alone. Please see attached cards.
9. In addition to the patients, I have 10 staff members (nurses and certified techs) that gave up other positions to do hospice work because it is their hearts' work. Many of them have home and inpatient hospice experience so our staffing should be adequate to meet the needs of a

larger patient base that includes some in-home hospice care. I do not pay as much as they are worth, but to them it is a calling. It is where they want to be - helping people have the best final days before they cross over to the next life. I just hate putting these people, who offer so much to others, in financial problems. It is surely is not their fault and they would be so grateful to be back at Life House.

10. I have spoken, during this time, with the leadership of two of the four existing hospice agencies in Putnam County and I have left messages for the other two. Caris representative, Norman McRae, told me that they are not ready to take on inpatient services but they know the need is significant. He also said they would contract with Life House to do their inpatient and respite care. Since he understands our situation, he indicated Caris would not oppose our CON for home hospice in Putnam County. Caris is one of the largest hospice providers in Putnam County with 59% of the market share in 2013. Avalon, with 29% of the market in Putnam County, also was not interested in providing inpatient hospice care. Avalon and Gentiva, with 12% market share, have already contracted with us to provide inpatient and respite care once we are able to obtain Medicare certification.
11. Life House Hospice, Inc will be unique as an Agency, in Putnam and our service area, by being able to offer a seamless continuum of care for terminal patients. Life House Hospice, Inc will be able to provide in-home care as the illness is in the early stages but give the patient the continuity of the same care providers in our residential facility for respite and more acute inpatient care. We intend to have our care providers the chaplain, social workers and medical staff work both in-home and residential so the patients and families will have a much higher comfort level throughout their hospice journey. The fear of the return visits to the hospital and the confusion sometimes experienced with multiple providers will be eliminated. This will be a great relief to the at home caregiver and especially the hospice patient when peace and dignity is what they really need.

Today, I have an outstanding residential hospice facility that served nine patients until they passed away over a 5-week period from February 25 to April 4, 2014 while we were trying to obtain a Medicare survey to be reimbursed for their care. Melanie Hill and her team has been our first ray of hope in an otherwise very discouraging project, from a bureaucratic stand point.

Life House needs to be there for our hospice partners' patients, the hospital patients, and our community. If granted the CON for Putnam County I intend to do what is required by CMS in the Conditions of Participation for certification and compliance. This is why I have only asked for Putnam County because that is all that is required to meet those conditions. The benefit, of this otherwise difficult situation, is that the terminally ill patients in Putnam County will have a **total service** hospice agency which is rare in smaller communities.

- b. The applicant should document that consideration has been given to alternatives to new construction, e.g., modernization or sharing arrangements. It should be documented that superior alternatives have been implemented to the maximum extent practicable.

Response:

Not Applicable

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

1. List all existing health care providers (e.g., hospitals, nursing homes, home care organizations, etc.), managed care organizations, alliances, and/or networks with which the applicant currently has or plans to have contractual and/or working relationships, e.g., transfer agreements, contractual agreements for health services.

Response:

We have/will have contracts with the following:

Cookeville Regional Hospital
 Avalon Hospice
 Caris Hospice
 Gentiva Hospice
 Quality Hospice
 Livingston Hospital
 Buckeye DME
 Tri-Med
 Morningside Adult Living Facility

2. Describe the positive and/or negative effects of the proposal on the health care system. Please be sure to discuss any instances of duplication or competition arising from your proposal including a description of the effect the proposal will have on the utilization rates of existing providers in the service area of the project.

Response:

Our need for Life House Hospice home agency is necessary to meet Medicare requirements for certification. We have asked for only one county in order to meet the letter of the law for compliance to Medicare COP. We will give to our fellow hospice providers all home patients outside of Putnam County. We will be able to provide our fellow hospice providers with needed service not now available for their patients. As a group of providers we should be able to achieve higher market penetration because of the additional services we will all be able to provide. This is not about competition but serving rural patients equally as well as urban patients. Look to the need and satisfy it, the rest will take care of itself.

3. Provide the current and/or anticipated staffing pattern for all employees providing patient care for the project. This can be reported using FTEs for these positions. Additionally, please compare the clinical staff salaries in the proposal to prevailing wage patterns in the service area as published by the Tennessee Department of Labor & Workforce Development and/or other documented sources.

Response:

The anticipated staffing pattern is as follows:

Proposed FTEs	Year 1	Year 2
Admin/ Case Manager/RN	.40	1.00
CNA	.40	0.75
Social Worker	.10	0.25
Chaplain	.10	0.25
Clerical	.25	0.50

The estimated salaries are as follows:

Estimated Salaries	Year 1	Year 2
Admin/Case Manager/ RN	20,000	45,000
CNA	10,000	15,000
Social Worker	2,400	3,000
Chaplain	2,400	3,000
Clerical	4,000	10,000

Our clerical, chaplain, social worker and some admin will be working for the entire hospice so the figures in the preceding chart only reflect additional duties. The mean hourly for Registered Nurses in Tennessee from the Bureau of Labor Statistics for May 2013 was \$26.96 with a wage index for Putnam of .20 which is \$21.57 per hour. We pay \$22-25 per hour depending on experience and responsibilities. Our Aides start at \$10 per hour which is above the Tennessee mean of \$9.01.

4. Discuss the availability of and accessibility to human resources required by the proposal, including adequate professional staff, as per the Department of Health, the Department of Mental Health and Developmental Disabilities, and/or the Division of Mental Retardation Services licensing requirements.

Response:

Staff has been readily available in our experience with our Life House inpatient facility. We have a full 24 hour nursing staff and adequate PRN nurses and CNAs to more than meet the additional staffing needs.

5. Verify that the applicant has reviewed and understands all licensing certification as required by the State of Tennessee for medical/clinical staff. These include, without limitation, regulations concerning physician supervision, credentialing, admission privileges, quality assurance policies and programs, utilization review *policies and programs, record keeping, and staff education.*

Response:

The applicant is familiar with all licensing and certification requirements for medical/clinical staff.

6. Discuss your health care institution's participation in the training of students in the areas of medicine, nursing, social work, etc. (e.g., internships, residencies, etc.).

Response:

41

We have working relationships with TTU and Nashville State Community College (Cookeville Campus). We, last summer, were fortunate to have a social worker intern. It was mutually beneficial to us and the student. She worked at Cookeville Regional with their social workers, worked with an Avalon Hospice social worker and was able to involve us with several bereavements groups in our service area. We intend to continue to expand these relationships, as we are the only total hospice for students to understand the continuum of service available to terminally ill patients and their families.

7. (a) Please verify, as applicable, that the applicant has reviewed and understands the licensure requirements of the Department of Health, the Department of Mental Health and Developmental Disabilities, the Division of Mental Retardation Services, and/or any applicable Medicare requirements.

Response:

I have reviewed and reviewed again. I hope we understand what we need to do at this point!!

- (b) Provide the name of the entity from which the applicant has received or will receive licensure, certification, and/or accreditation.

Licensure: **STATE OF TENNESSEE**
DEPARTMENT OF HEALTH
DIVISION OF HEALTH LICENSURE AND REGULATION OFFICE OF
HEALTH CARE FACILITIES
665 MAINSTREAM DRIVE, SECOND FLOOR
NASHVILLE, TENNESSEE 37243

Accreditation: Community Health Accreditation Program

CHAP is an independent, nonprofit, accrediting body for community-based health care organizations, which accredits nine programs and services to include hospice. As the oldest national community-based accrediting body with more than 8,300 sites currently accredited, their purpose is to define and advance the highest quality of community-based care.

Through "deeming authority" granted by the Centers for Medicare and Medicaid Services (CMS), CHAP has the regulatory authority to survey agencies providing home health, hospice and home medical equipment services to determine if they meet the Medicare Conditions of Participation and CMS Quality Standards.

Certification: Medicare and Medicaid

- (c) If an existing institution, please describe the current standing with any licensing, certifying, or accrediting agency. Provide a copy of the current license of the facility.

Response: Not Applicable

- (d) For existing licensed providers, document that all deficiencies (if any) cited in the last licensure certification and inspection have been addressed through an approved plan of correction. Please include a copy of the most recent licensure/certification inspection with an approved plan of correction.

Response: Not Applicable

8. Document and explain any final orders or judgments entered in any state or country by a licensing agency or court against professional licenses held by the applicant or any entities or persons with more than a 5% ownership interest in the applicant. Such information is to be provided for licenses regardless of whether such license is currently held.

Response: None

9. Identify and explain any final civil or criminal judgments for fraud or theft against any person or entity with more than a 5% ownership interest in the project

Response: None

10. If the proposal is approved, please discuss whether the applicant will provide the Tennessee Health Services and Development Agency and/or the reviewing agency information concerning the number of patients treated, the number and type of procedures performed, and other data as required.

Response:

The applicant will provide THSDA and/or the reviewing agency all data as required. Applicant will follow all Medicare requirements for continued certification.

PROOF OF PUBLICATION

Attach the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper as proof of the publication of the letter of intent.

Response: original provided with Letter of Intent 06/10/2014.

DEVELOPMENT SCHEDULE

Tennessee Code Annotated § 68-11-1609(c) provides that a Certificate of Need is valid for a period not to exceed three (3) years (for hospital projects) or two (2) years (for all other projects) from the date of its issuance and after such time shall expire; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificates of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need which has been extended shall expire at the end of the extended time period. The decision whether to grant such an extension is within the sole discretion of the Agency, and is not subject to review, reconsideration, or appeal.

1. Please complete the Project Completion Forecast Chart on the next page. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.
2. If the response to the preceding question *indicates that the applicant does not anticipate completing the project within the period of validity as defined in the preceding paragraph*, please state below any request for an extended schedule and document the "good cause" for such an extension.

Form HF0004

Revised 02/01/06

Previous Forms are obsolete

our patient's receive. RDA li-
 cense required EFDA and/or
 Dental experience a plus. Sub-
 mit your cover letter and resume
 for consideration to:

opportunityhfd@gmail.com

283

Trucking Emp.

Rotating Shift Night Driver
 needed. Hazmat tanker pre-
 ferred but not necessary. Apply
 1101 S. Willow Ave, S#B, Ckvl.
 372-0378

Opportunity for ce Technician

is looking for a team member
 following areas: electrical,
 forklift repair and welding.
 experience a plus. Candidate
 with troubleshooting and
 willing to work flexible hours.
 s-on" as well as developing
 dules in a manufacturing
 ys, health & life insurance and
 available.
 with wage requirements to
 apply in person to 3234
 Tompkinsville, KY.
 e calls please.
 EOE

(931)267-1008



PACE ARROW 1995
 37', great shape, sleeps 6,
 backup cam, tons of storage, 2
 TV's, 2 air units, lrg bath, 53k.
 \$13,500. Call (931)252-1405

mustard and turnip greens,
 Herbs, Eggs, Broccoli, Cauli-
 flower, Brussel Sprouts,
 Radishes, Onions & Squash, To-
 matoes & sometimes Sorghum
 and Honey. Also available
 Soaps and Creams made from
 Goat Milk and Beeswax Creams
 and Lip Balm. Farm Fresh An-
 gus Meats on Saturdays and
 potted plants.

MAYTAG ADVANCE super ca-
 pacity self clean oven \$200; **GE**
 microwave, space maker \$125;
HotPoint Dishwasher \$200. All
 items white. All exc cond. 520-4410

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Services and Development Agency and all
 interested parties, in accordance with T.C.A. § 68-11-1601 et seq., and the Rules of the Health
 Services and Development Agency, that: Life House Hospice, Inc., N/A, owned by: Connie
 Mitchell with an ownership type of Corporation Certificate of Need Project description: Life
 House Hospice, Inc has filed a request for a certificate of need to establish a Home Care
 organization to provide hospice services in Putnam County. The Hospice agency will be
 located at Life House Hospice (a licensed residential hospice) at 570 State St, Cookeville,
 Putnam County, TN 38501. The cost of the project is expected to be \$7800.

The request to provide hospice services is necessary because the residential hospice had to
 temporarily cease operations due to its inability to be Medicare-certified because CMS will
 not certify a stand-alone residential hospice. A residential hospice must be attached to a
 Medicare-certified hospice in order to be reimbursed for care of Medicare patients. The
 temporary cessation of business for the residential hospice has resulted in no residential
 services at all in Putnam County. Life House Hospice, Inc will provide both in-home and
 residential inpatient care which is a continuum of care currently not available in Putnam
 County.

The anticipated date of filing the application is: June 10, 2014
 The contact person for this project is Connie Mitchell, President who may be reached at:
 Life House Hospice, Inc, 570 State St., Cookeville, TN 38501 or 931-881-6417
 Upon written request by interested parties, a local Fact-Finding public hearing shall be
 conducted. Written requests for hearing should be sent to:
 Health Services and Development Agency Andrew Jackson Building, 9th Floor
 502 Deaderick Street
 Nashville, Tennessee 37243

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1).
 (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice
 with the Health Services and Development Agency no later than fifteen (15) days before the regularly
 scheduled Health Services and Development Agency meeting at which the application is originally
 scheduled; and (B) Any other person wishing to oppose the application must file written objection with the
 Health Services and Development Agency at or prior to the consideration of the application by the Agency.

JUN 13 '14 PM 12:31

PROJECT COMPLETION FORECAST CHART

Enter the Agency projected Initial Decision date, as published in T.C.A. § 68-11-1609(c):

Assuming the CON approval becomes the final agency action on that date; indicate the number of days from the above agency decision date to each phase of the completion forecast.

<u>Phase</u>	<u>DAYS REQUIRED</u>	<u>Anticipated Date (MONTH/YEAR)</u>
<u>1. Architectural and engineering contract signed</u>		
<u>2. Construction documents approved by the Tennessee Department of Health</u>		
<u>3. Construction contract signed</u>		
<u>4. Building permit secured</u>		
<u>5. Site preparation completed</u>		
<u>6. Building construction commenced</u>		
<u>7. Construction 40% complete</u>		
<u>8. Construction 80% complete</u>		
<u>9. Construction 100% complete (approved for occupancy)</u>		
<u>10. *Issuance of license</u>	<u>30</u>	<u>10/2014</u>
<u>11. *Initiation of service</u>	<u>30</u>	<u>11/2014</u>
<u>12. Final Architectural Certification of Payment</u>		
<u>13. Final Project Report Form (HF0055)</u>		

* For projects that do NOT involve construction or renovation: Please complete items 10 and 11 only.

Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

AFFIDAVIT

STATE OF TN
COUNTY OF Putnam

2014 JUN 12 PM 1:53

CONNIE MITCHELL, being first duly sworn, says that he/she is the applicant named in this application or his/her/its lawful agent, that this project will be completed in accordance with the application, that the applicant has read the directions to this application, the Rules of the Health Services and Development Agency, and T.C.A. § 68-11-1601, *et seq.*, and that the responses to this application or any other questions deemed appropriate by the Health Services and Development Agency are true and complete.

Connie Mitchell, Pres.
SIGNATURE/TITLE

Sworn to and subscribed before me this 12 day of June, 2014 a Notary
(Month) (Year)

Public in and for the County/State of Putnam, Tennessee

[Signature]
NOTARY PUBLIC

My commission expires October 24, 2017
(Month/Day) (Year)

HOWARD B. BILBREY
STATE OF TENNESSEE
NOTARY PUBLIC
PUTNAM COUNTY

Attachment 3

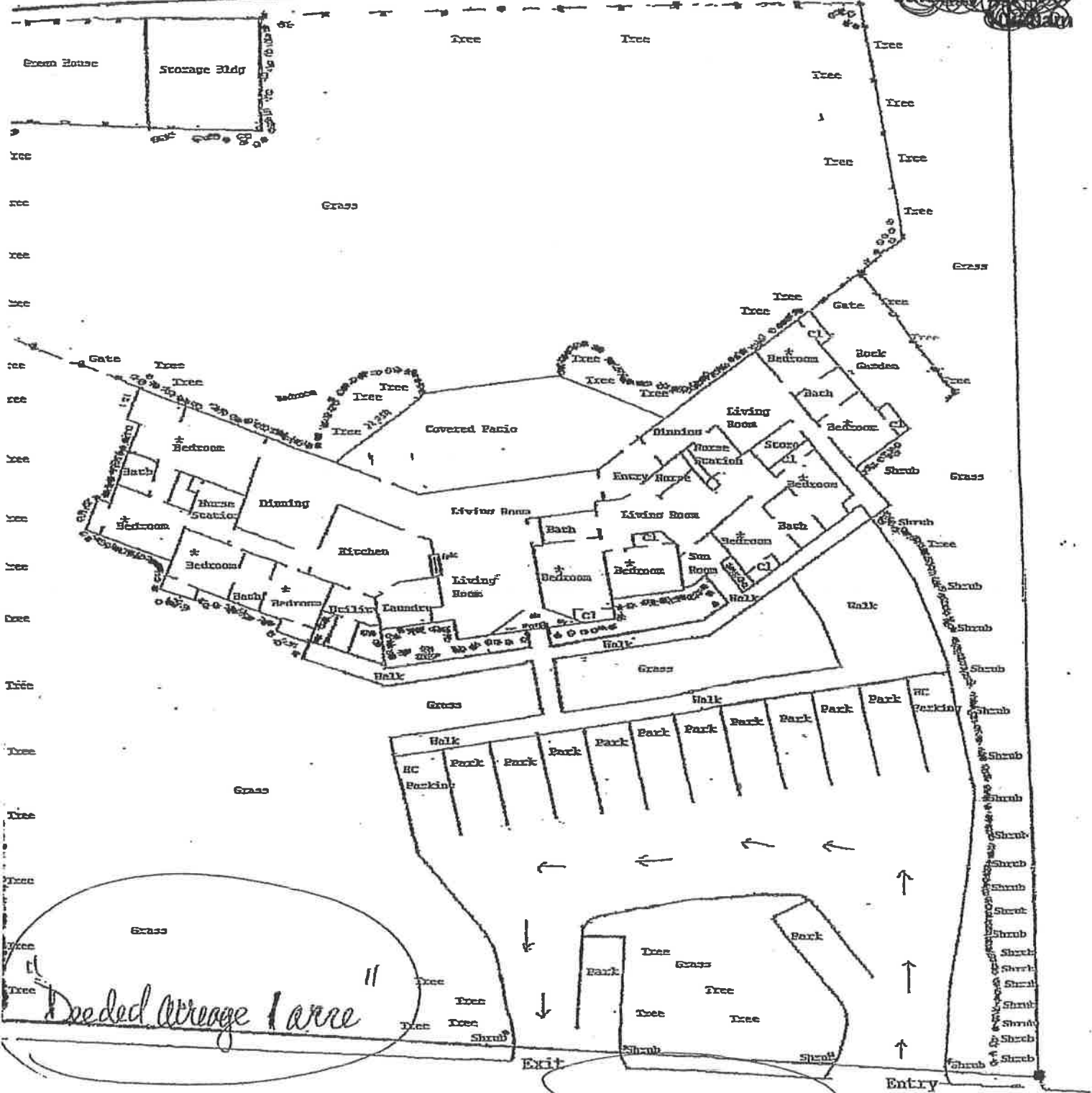
Section B III

A. Plot Plan

June 23, 2014

1:35 pm

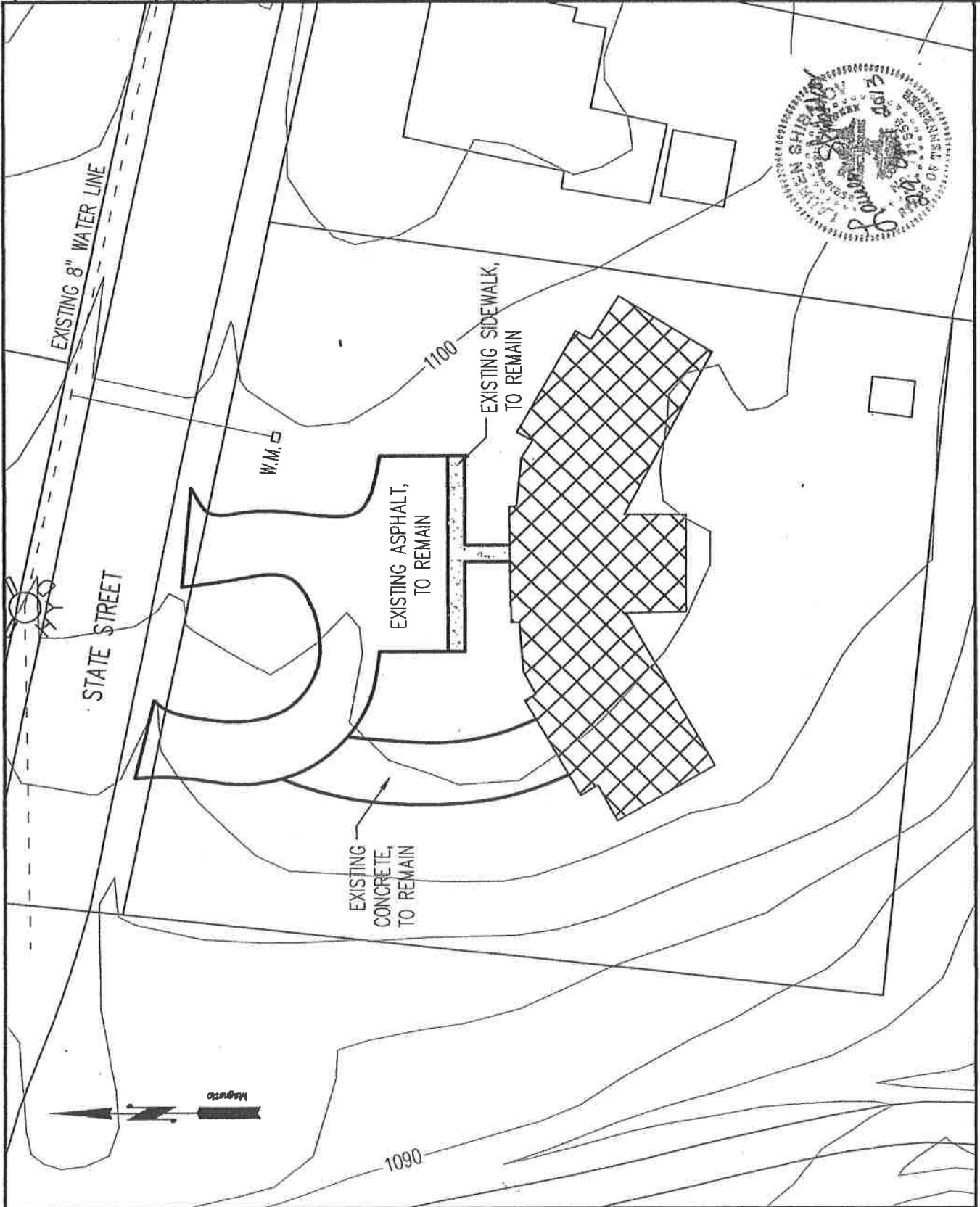
January 2014



570 STATE ST SITE PLAN

LIFE HOUSE HOSPICE

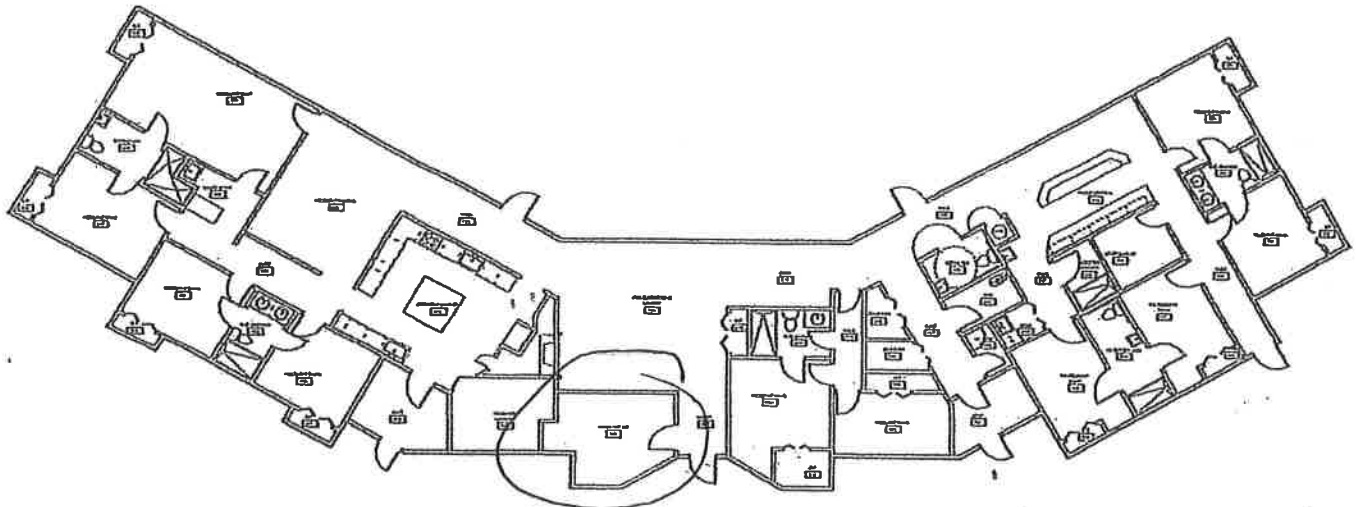
Revisions:



Attachment 4

Section B

IV. Floor Plan



ofc.

Life House Hospice, Inc
570 State ST
Cookeville, TN

Attachment 5

Section C. General Criteria

3. Need

Map of Tennessee

Putnam County Service Area

Attachment 6

Section C General Criteria

Economic Feasibility 2 and 10

Putnam 1st Mercantile Bank

Chris Holloway, President



May 27, 2014

RE: Life House Hospice
Connie Mitchell

To Whom It May Concern;

Putnam 1st Mercantile Bank currently partners with Connie Mitchell and Life House Hospice. The bank has provided financial support to Life House Hospice with loans and lines of credit. We have been involved with this project from the beginning. In doing so the bank has confidence in Ms. Mitchell's ability to manage business affairs while also providing this community with service and care to patients and their families that is unprecedented in this area. We are proud to be associated with Ms. Mitchell and Life House Hospice. We are committed to this project and will continue to support her efforts for those she serves in our community.

We look forward to many years of a mutual business relationship, but above that we look forward to the compassionate care she will provide to the people of the Upper Cumberland Region.

Please feel free to contact me with any questions you may have regarding our relationship with Ms. Mitchell, Life House Hospice and the important work they do.

Sincerely,


Chris Holloway
CEO



200 W. Jackson Street
(931) 528-MERC (6372)

P.O. Box 2387

Cookeville, TN 38502

www.1stmerc.net



Attachment 7

Commitments/Contracts/Letters

57



Connie Mitchell <cjmitchell0347@gmail.com>

FW: Cancer Case Report

1 message

Carolyn Copeland <zosorn@gmail.com>
To: Connie Mitchell <cjmitchell0347@gmail.com>

Tue, Jun 10, 2014 at 11:00 AM

Carolyn Copeland, RN, BSN
1310 Charles Street, Cookeville, TN 38506
Cell: (931) 261-5136
E-mail: zosorn@gmail.com

From: Lisa J Bagci [mailto:LBagci@crmchealth.org]
Sent: Tuesday, June 10, 2014 10:27 AM
To: 'zosorn@gmail.com'
Cc: Pamela S. Warren; Stephanie Miller
Subject: Cancer Case Report

Hi Carolyn,

It was great to speak with you today. Attached is a report that our cancer registry manager ran that details cancer cases by type and stage for 2013. I've highlighted the Stage IV column (151 cases) since this will be the number of patients with potential to receive hospice services.

I hope this is helpful as you seek to re-gain CON status. Please let me know if we can help in any other way – the in-patient hospice services there are outstanding and we stand with you in support of retaining them for our community.

Take care,

Lisa Bagci

58

Lisa Bagci, BS, RHIA, CTR

Director, Cancer Center

Cookeville Regional Medical Center



Confidentiality Notice: This e-mail message, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message.

 **Hospice CON study June 2014.xls**
32K

JUN 13 14 PM 12:33

SITE BY CS STAGE GROUP TABULATION FOR AAA

SITE NAME	NBR CASES	STG										STG			
		(%)	0 (%)	I (%)	II (%)	III (%)	IV (%)	(%)	UNK (%)	N/A (%)					
LIP	1	0	0	0	1	100	0	0	0	0	0	0	0	0	0
BASE OF TONGUE	5	1	0	0	0	0	2	40	0	0	0	0	0	0	0
OTHER PARTS OF TONGUE	7	1	0	0	3	43	3	43	1	14	0	0	0	0	0
OTHER/UNSPECIFIED PARTS OF MOUTH	1	0	0	0	0	0	0	0	1	100	0	0	0	0	0
PAROTID GLAND	1	0	0	0	0	0	1	100	0	0	0	0	0	0	0
OTHER SALIVARY GLANDS	1	0	0	0	0	0	1	100	0	0	0	0	0	0	0
TONSIL	5	1	0	0	0	0	0	0	0	0	5	100	0	0	0
OROPHARYNX	2	0	0	0	0	0	0	0	1	50	0	0	1	50	0
NASOPHARYNX	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PYRIFORM SINUS	2	0	0	0	0	0	0	1	50	0	0	0	0	0	0
HYPOPHARYNX	1	0	0	0	0	0	0	0	0	0	1	100	0	0	0
ESOPHAGUS	7	1	0	0	0	0	0	0	4	57	1	14	2	29	0
STOMACH	6	1	0	0	0	0	0	0	1	17	5	83	0	0	0
SMALL INTESTINE	1	0	0	0	0	0	0	0	0	0	0	0	0	1	100
COLON	64	8	5	8	7	11	15	23	23	36	12	19	1	2	2
RECTOSIGMOID JUNCTION	4	0	0	0	1	25	0	0	2	50	1	25	0	0	0
RECTUM	16	2	2	13	4	25	2	13	5	31	2	13	1	6	0
ANUS & ANAL CANAL	5	1	0	0	1	20	2	40	2	40	0	0	0	0	0
LIVER & BILE DUCTS	6	1	0	0	0	0	0	0	2	33	4	67	0	0	0
GALLBLADDER	1	0	0	0	0	0	0	0	0	0	1	100	0	0	0
OTHER BILIARY TRACT	4	0	0	0	0	0	1	25	1	25	2	50	0	0	0
PANCREAS	11	1	0	0	1	9	3	27	4	36	3	27	0	0	0
NASAL CAVITY & MIDDLE EAR	1	0	0	0	0	0	0	0	0	0	0	0	0	1	100
LARYNX	17	2	0	4	24	4	24	5	29	29	4	24	0	0	0
BRONCHUS & LUNG	176	22	0	30	17	10	6	54	31	81	46	1	1	0	0
HEART MEDIASTINUM PLEURA	1	0	0	1	100	0	0	0	0	0	0	0	0	0	0
BLOOD & BONE MARROW	63	8	0	0	0	0	0	0	0	0	0	0	0	63	100

JUN 19 2 4 PM '14

STATE OF TENNESSEE
DEPARTMENT OF HEALTH
DIVISION OF HEALTH LICENSURE AND REGULATION
OFFICE OF HEALTH CARE FACILITIES
665 Mainstream Drive, Second Floor
Nashville, TN 37243
www.tennessee.gov/health
615-741-7221 or 1-800-778-4504

June 4, 2014

CONNIE MITCHELL
LIFE HOUSE HOSPICE, INC.
570 STATE ST.
COOKEVILLE, TN 38501

Dear Administrator:

This is to acknowledge receipt of your application and fee to apply for licensure of (LIFE HOUSE HOSPICE, INC.). Please review the instruction sheet that you received with the application to apply for licensure so that you are aware of the process for obtaining licensure of your facility. If a certificate of need is required to provide services, you will need to contact *Health Services and Developmental Agency* at (615) 741-2364.

Please remember that if you are applying for licensure of a facility that requires an architectural plans review you must submit those plans along with the plans review fee prior to scheduling a survey. For homes for the aged facilities specifically; TCA 368-11-202 allows "schematics shall be submitted to the department for approval of plans and specifications converting an existing single family dwelling" with six (6) or less beds.

It is your responsibility to contact the East Tennessee Regional Office to request a survey of your facility. Please submit the request in writing to Karen B. Kirby, Regional Administrator, Health Care Facilities, 7175 Strawberry Plains Pike, Suite 103, Knoxville, TN, 37914. If you would like to fax the request to Ms. Kirby the fax number is (865) 594-5739.

Your application and fee will be held in a pending status until you are recommended by the Regional Office for licensure. Once the recommendation for licensure is received from the regional office, your facility will receive a letter for "Initial Approval;" and then your application will be presented before the Board for Licensing Health Care Facilities for ratification and final approval at the next regularly scheduled board meeting. Your facility CAN operate once you receive the "Initial Approval."

In the event that a certificate of need is required prior to obtaining a license for this facility the application file will be closed, the day following the expiration date of the certificate of need.

Should you have any questions or if I can be of assistance to you please call me at (615) 741-7300 or you may email me at Shirley.A.Jones@tn.gov.

Sincerely,



Shirley Jones
Administrative Services Assistant III
Health Care Facilities
Licensure Unit

cc: ETRO

INPATIENT CARE SERVICES AGREEMENT

I CARE SERVICES AGREEMENT (this "Agreement") is
(the "Effective Date"), by and between ("HOSPICE")

851 S. Willow Ave. • Ste. 102 • Cookeville, TN 38501

RECITALS

WHEREAS, HOSPICE is a hospice care provider certified by the federal government to provide comprehensive hospice services to eligible persons as delineated under applicable law, experienced in the operation of a hospice agency and the provision of hospice services to terminally ill individuals and has, from time to time, patients who require short-term inpatient care for pain control, symptom management purposes.

WHEREAS, FACILITY is a licensed and Medicare certified hospital or hospice inpatient unit, experienced in the provision of services to terminally ill individuals who are eligible to elect hospice services.

WHEREAS, The parties contemplate that, from time to time individuals receiving services from HOSPICE will require general inpatient services for pain control and/or symptom management purposes.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, and the covenants and agreements contained herein, HOSPICE and FACILITY hereby agree as follows:

1. Definitions.

1.1 "Attending Physician" means a doctor of medicine or osteopathy who is duly licensed and who is identified by the Hospice Patient (or such Hospice Patient's legal representative) at the time he or she elects to receive hospice care, as the physician having the most significant role in the determination and delivery of the Hospice Patient's medical care.

1.2 "Facility Room and Board Services" means those personal care services provided by FACILITY as specified in the Hospice Plan of Care and Facility Plan of Care for a Hospice Patient including, but not limited to: (i) providing food, including individualized requests and dietary supplements, (ii) assisting in activities of daily living such as mobility and ambulation, dressing, grooming, bathing, transferring, eating and toileting, (iii) arranging and assisting in socializing activities, (iv) assisting in the administration of medicine, (v) providing and maintaining the cleanliness of the Hospice Patient's room, (vi) supervising and assisting in the use of any durable medical equipment and therapies included in the Hospice Plan of Care, (vii) providing laundry and personal care supplies, (viii) providing monitoring of general health conditions, (ix) contacting family/legal representative for purposes unrelated to the terminal illness, (x) arranging for the provision of medications not related to the management of the terminal illness, and (xi) providing the usual and customary room furnishings provided to FACILITY patients including, but not limited to, beds, linens, over the bed tables and dressers.

1.3 "General Inpatient Care" means care that a Hospice Patient receives in an inpatient facility such as a hospital or skilled nursing facility for pain control or acute or chronic symptom management which cannot be managed in other settings. General Inpatient Care includes,

63



Connie Mitchell <cjmitchell0347@gmail.com>

May 28 emergency hearing

4 messages

Connie Mitchell <cjmitchell0347@gmail.com>
To: Norman McRae <nmcrae@carishealthcare.com>

Wed, May 21, 2014 at 4:17 PM

Dear Norman

Thank you for returning my call. I know you are a very busy man and your support in this situation is a blessing to us.

Melanie Hill asked if you would mind putting in writing that you understand our situation with Medicare and that you are not opposed to our emergency home CON.

Additionally, that you intend to use Life House for your inpatient and respite needs in our service area.

She said this is not as formal as the next one in September so an email is sufficient. You can send back to me and I will forward to her.

Again, with much gratitude.

Connie Mitchell

Norman McRae <nmcrae@carishealthcare.com> Thu, May 22, 2014 at 8:10 AM
To: Connie Mitchell <cjmitchell0347@gmail.com>
Cc: Christie Piland <cpiland@carishealthcare.com>, Tina Hargis <thargis@carishealthcare.com>, Paul Saylor <psaylor@carishealthcare.com>

Connie, we do hope to use Life House Hospice for GIP and Respite.

Very Truly,

Norman McRae
Caris HealthCare, LP
10651 Coward Mill Road
Knoxville, TN 37931-3006
Direct Line: 865-694-4762 x1118
Mobile: 865-207-5795
Email: nmcrae@carishealthcare.com
www.carishealthcare.com

Confidentiality Notice: This e-mail message, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message.

[Quoted text hidden]

Connie Mitchell <cjmitchell0347@gmail.com>
To: Norman McRae <nmcrae@carishealthcare.com>

Thu, May 22, 2014 at 9:12 AM

64

husc 2

Fwd: Business Associate Agreement Avalon

Connie Mitchell <cjmitchell0347@gmail.com>
To: agosslifehouse@gmail.com

Wed, Apr 9, 2014 at 10:58 AM

----- Forwarded message -----

From: **Dana L. Durm** <ddurm@avalon-hospice.com>
Date: Fri, Apr 4, 2014 at 5:37 PM
Subject: Business Associate Agreement Avalon
To: "conniemitchell@lifehouseresidentialnospice.com" <conniemitchell@lifehouseresidentialnospice.com>

Connie,

I have attached the Business Associate Agreement for your review. James has already signed so all we need is your signature if no changes are needed.

Thank you,
Dana Durm, RN
Clinical Liaison
Avalon Hospice
Cookeville, TN
931-854-1391

-----Original Message-----

From: cookeville@avalon-hospice.com [mailto:cookeville@avalon-hospice.com]
Sent: Friday, April 04, 2014 5:08 PM
To: Dana L. Durm
Subject:

This E-mail was sent from "RNP3832FC" (Aficio MP 4001).

Scan Date: 04.04.2014 17:07:50 (-0400)

Queries to: cookeville@avalon-hospice.com

CONFIDENTIALITY NOTICE: This message is intended exclusively for the individual or entity to which it is addressed. This communication may contain information that is proprietary, privileged, confidential or otherwise legally exempt from disclosure. If you are not the named addressee, you are hereby notified that you are not authorized to read, print, retain, copy or disseminate this message, any part of it, or any attachments. If you have received this message in error, please delete this message and any attachments from your system without reading the content and notify the sender immediately of the inadvertent transmission. There is no intent on the part of the sender to waive any privilege, including the attorney-client privilege, that may attach to this communication. Thank you for your cooperation

 **20140404170750791.pdf**
622K



Cookeville Primary Care Associates, PC

HAROLD CHERTOK, D.O.
THOMAS JENKINS, M.D.
 445 NORTH CEDAR AVENUE
 COOKEVILLE, TN 38501
 PHONE: (931) 528-5787
 FAX: (931) 528-5796
Info@cookevillepca.com

May 27, 2014

Melanie Hill, Executive Director
 Health Services and Development Agency
 502 Deaderick St, 9th Floor
 Nashville, TN 37343

Dear Ms. Hill

I am Dr. Harold Chertok, a physician with Cookeville Primary Care Associates in Cookeville, Tennessee. I have recently heard that Life House Residential Hospice, our new inpatient hospice facility, was having difficulty with Medicare and needed the help of the State of Tennessee for an emergency Certificate of Need for home hospice program in order to be able to bill Medicare and remain open in our community.

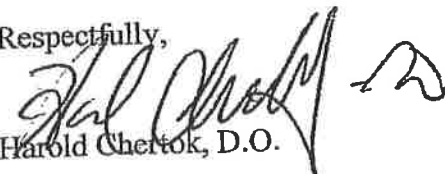
The need for inpatient hospice is an ever growing with the life expectancy increasing in our population. At present, the options for hospice patients too ill to be taken care of in their homes in Putnam County consist only of our nursing homes or a hospital, neither of which are acceptable solutions for our terminally ill patients.

Financially, the skilled nursing facilities do not want to take hospice patient and the hospitals are working diligently to admit sick patients that they can help recover in order to reduce hospital readmissions.

Subsequently, our terminally ill patients have no options, if they are without a home caregiver.

Please do whatever is necessary to assure this continuum of care is available for our patients. I ask you to grant a Certificate of Need to Life House Home Hospice in order to support this much needed service in our community. Thank you for your utmost consideration in this matter. If I can be of any further assistance, please don't hesitate to contact me at the numbers below.

Respectfully,


 Harold Chertok, D.O.



DIANE BLACK
6TH DISTRICT OF TENNESSEE

COMMITTEE ON
WAYS AND MEANS

SUBCOMMITTEE OVERSIGHT

COMMITTEE ON THE BUDGET



CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

DISTRICT OFFICES
855 NORTH BELVEDERE DRIVE
SUITE 308
GALLATIN, TN 37060
(615) 206-3204
(615) 206-8080 (FAX)
521 EAST SPRING STREET
SUITE 301
COOKEVILLE, TN 38501
(931) 354-0069

April 11, 2014

Life House, LLC
Connie Mitchell
Inpatient Hospice
570 State Street
Cookeville, TN 38501-3718

Dear Connie,

Recently, you contacted me regarding your Medicare issue. I sincerely appreciate the confidence you have shown in contacting me regarding matters of importance to you.

Please know I have contacted CMS on your behalf. As soon as they respond to me, I will let you know.

Helping people is one of the most important parts of my job. My staff and I will always do our best to assist you.

Never hesitate to contact me if I can help you or your family in any way.

Sincerely,

Diane Black
Member of Congress

DB/bw

Attachment 8
Letters of Support

June 4, 2014

State of Tennessee
Health Services and Development Agency
161 Rosa Parks Blvd.
Nashville, TN 37243

To Whom It May Concern:

Please accept my sincere appreciation for your approval of the residential hospice project, Life House LLC, in Cookeville, Tennessee. As a practicing social worker, I can attest to the value of hospice care in a residential, non-institutional setting. In both my professional work and personal experience, I have witnessed the positive effect such care has on patients and families. Life House can provide the appropriate environment for families to adjust and cope effectively with end-of-life issues.

I hope the review committee will now move quickly to approve the permanent Certificate of Need for the In-Home Agency for Life House. The Putnam County area continues to grow in population, and is especially attractive to retirees looking for strong healthcare community resources. Life House is positioned to provide much-needed hospice care and support; please allow their dedicated staff to continue this important work.

Thank you for your consideration.

Yours truly,

A handwritten signature in cursive script that reads "Barbara E. Sims". The signature is written in dark ink and is positioned above the printed name.

Barbara E. Sims, LCSW

June 4, 2014

State of Health Services and Development Agency
161 Rosa Parks Blvd
Nashville, TN 37243

To Whom It May Concern:

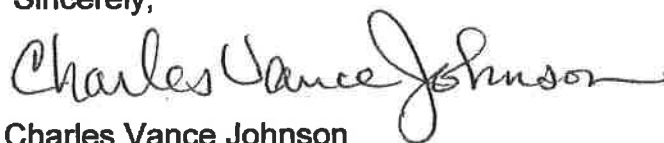
I am writing this letter in support of a permanent Certificate of Need for an In-Home Agency for the Life House Hospice in Cookeville, TN. Our community needs the residential hospice project of Life House Hospice to be fully operational, as soon as possible.

I have been active in the Cookeville and Putnam County communities since 1998, as an Elder in the United Methodist Church. As a minister, I can attest to the need for hospice care in a residential, non-institutional setting. I have visited the excellent facility of Life House Hospice and met several capable staff members, who are dedicated to the hospice philosophy of end of life care for patients and their families.

Please give Life House Residential Hospice every opportunity to provide the full range of services needed now in our community. We have families waiting for this healthcare option to be for their loved ones.

Thank you for your every consideration in granting a permanent Certificate of Need for an In-Home Agency for the life House Hospice in Cookeville, TN.

Sincerely,

A handwritten signature in cursive script that reads "Charles Vance Johnson". The signature is written in dark ink and is positioned above the printed name.

Charles Vance Johnson



A Brighter Day!

www.QualityHospice.com

Melanie Hill, Executive Director
Health Services and Development Agency
502 Deaderick St, 9th Floor
Nashville, TN 37343

Dear Ms. Hill,

My name is Sue Sims, Quality Hospice Care Administrator in Jamestown, Tennessee. I have recently heard that Life House Residential Hospice, a new inpatient hospice facility, was having difficulty with Medicare and needed the help of the State of Tennessee for an emergency Certificate of Need for their home hospice program in order to be able to bill Medicare and remain open in their community.

The need for inpatient hospice is ever growing with the life expectancy increasing in our population. At present, the options for hospice patients, too ill to be taken care of in their homes in Putnam County, consist only of our nursing homes or a hospital, neither of which are acceptable solutions for many of our terminally ill patients.

Financially, the skilled nursing facilities do not want to take hospice patients and the hospitals are working diligently to admit sick patients that they can help recover in order to reduce hospital readmissions.

Subsequently, the terminally ill patients have no options, if they are without a home caregiver.

Please do whatever is necessary to assure this continuum of care is available for patients in Putnam County. I ask you to grant a Certificate of Need to Life House Home Hospice in order to support this much needed service in their community. Thank you for your utmost consideration in this matter. If I can be of any further assistance, please don't hesitate to contact me at the numbers below.

Respectfully,

A handwritten signature in cursive script that reads "Sue Sims".

Sue Sims
Administrator
Quality Hospice Care
Jamestown, TN 38556
(931) 879-9330 phone
(931) 879-9338 fax

Andrew Jackson State Office Bldg
502 Deaderick St
Nashville, Tn 37243

Attn Melanie M Hill

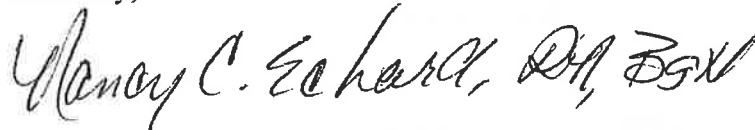
To Whom it May Concern:

On or about April 15 of 2014, I was called to the Cookeville Regional Hospital by a MSW to talk with a patient and family regarding Hospice Care available in the area for a terminally ill gentleman with End-Stage Lung Cancer. He was a patient of Dr James G Staggs of Cookeville. The family told me that Dr Staggs, knowing there was not adequate care-giving available at the patient's home, they only had two choices—Nursing Home or Life House Residential Hospice. The family and patient, after being made aware of Home-Care Hospices, and Nursing Home facilities in the area, elected to be discharged to Life House Residential Hospice.

However, because Medicare had decided that Life House was not eligible to take payment for its services (because it is not officially part of a Home-Care Hospice Agency), the patient's discharge to Life House was canceled --- along with 8-10 other referrals taken since that time—and Life House has remained closed since that time---even though they have good working relationships with all of the area Home-Care Hospices. The Patient was sent to an area Nursing Home where he died.

I believe that Life House Residential Hospice is vital to this in this community to give home-like care for Terminally Ill people who, for whatever reason (s) do not have adequate Care-Givers in their home settings. Please grant Life House an Emergency CON to set up a Home-Care Agency so that they will be able to do the work that is so needed in the Cookeville area.

Sincerely,

A handwritten signature in cursive script that reads "Nancy C. Echard, RN, BSN". The signature is written in dark ink and is positioned below the word "Sincerely,".

Nancy C Echard, RN, BSN



Cookeville Primary Care Associates, PC

HAROLD CHERTOK, D.O.
THOMAS JENKINS, M.D.
 445 NORTH CEDAR AVENUE
 COOKEVILLE, TN 38501
 PHONE: (931) 528-5787
 FAX: (931) 528-5796
info@cookevillepca.com

May 27, 2014

Melanie Hill, Executive Director
 Health Services and Development Agency
 502 Deaderick St, 9th Floor
 Nashville, TN 37343

Dear Ms. Hill:

I am Dr. Thomas Jenkins, a physician with Cookeville Primary Care Associates in Cookeville, Tennessee. I have recently heard that Life House Residential Hospice, our new inpatient hospice facility, was having difficulty with Medicare and needed the help of the State of Tennessee for an emergency Certificate of Need for home hospice program in order to be able to bill Medicare and remain open in our community.

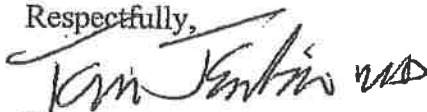
The need for inpatient hospice is an ever growing with the life expectancy increasing in our population. At present, the options for hospice patients too ill to be taken care of in their homes in Putnam County consist only of our nursing homes or a hospital, neither of which are acceptable solutions for our terminally ill patients.

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Subsequently, our terminally ill patients have no options, if they are without a home caregiver.

Please do whatever is necessary to assure this continuum of care is available for our patients. I ask you to grant a Certificate of Need to Life House Home Hospice in order to support this much needed service in our community. Thank you for your utmost consideration in this matter. If I can be of any further assistance, please don't hesitate to contact me at the numbers below.

Respectfully,


 Thomas Jenkins, M.D.



May 21, 2014

State of Tennessee Health Services and Development Agency

502 Deaderick St, 9th Floor

Nashville, TN 37343

Attn: Melanie Hill



Dear Ms. Hill:

I am writing this letter to support the emergency hearing for opening the Life House Residential Hospice in Cookeville, TN. As the Social Services Coordinator at Cookeville Regional Medical Center, I have seen many instances in which our patients and their families would have benefited from the services of a local residential hospice. We have been pleased with the services which this organization offered when they did accept patients.

Please expedite the opening of this desperately-needed organization.

Sincerely,

*original sent
for Melanie Hill*
Monika Bowman, M.A.

Social Services Coordinator
Cookeville Regional Medical Center

Miss 4. 1

State of Tennessee

Health Services and Development Agency

502 Deaderick Street, 9th Floor

Nashville, TN 37343

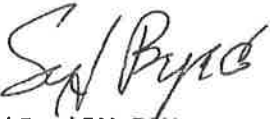
Attn: Melanie Hill

To Whom It May Concern:

It has been brought to my attention that Life House Residential Hospice was denied inspection and certification under Medicare because it is not directly affiliated with a Home Care Hospice Agency. In the acute care setting where I work, at Cookeville Regional Hospital, many of our patients are covered under Medicare. Therefore, there are many patients and families who will not be able to transition to this hospice residence. I know that Life House maintains relationships with all area Home- Care Hospice agencies and that a smooth referral to a home based Hospice Care can and will be made if the the patient wants to return home and continue hospice services. The Medicare rules do not allow our only residential hospice house to accept these patients. Therefore, I ask you to grant Life House Residential Hospice an emergency hearing and give them a CON so that the Life House Team can build its own Home Care Hospice Agency to be in compliance with the current Medicare regulations. Our community has already benefited from this residential hospice home as many patients and families are not able to provide adequate care givers in their own home.

Thank you for your time and attention in this most worthy request.

Sincerely,



Syd Byrd RN, BSN

Cookeville Regional Hospital

Connie & Staff. B G # 8

Words cannot begin
to express what we feel.
You were so wonderful to dad.
His last 18 days on this earth
were truly a blessing. Thanks
to you. You made him
"Matter", helped him feel
loved. Jackie - a special
thanks for standing by
"Wild Bill" while he passed.
You all are so very kind.

Love & Prayers,
Brian & Lisa
Copeland

B 676# 8

10/13/1973

To the Staff,

We would like to thank
you all for the great care
& attention you gave to Carl!
you all are really caring &
loving people! We really
appreciate what you did for
Carl!

Thanks again!



God Bless
you!

The
Dauwalter
Family!

Lifehouse Hospice,

Thank you for the
flower arrangement. I
wish that we had found
you sooner. I am glad
she spent her last days
at LifeHouse and not a
nursing home.

Thank you.

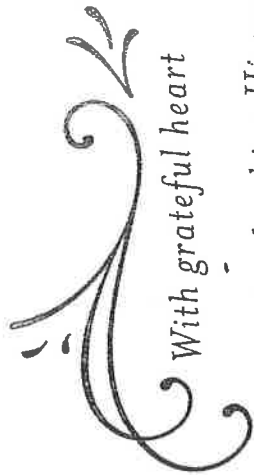
Thank you sincerely
for your kind

expression of sympathy

It was deeply appreciated
and is gratefully
acknowledged

Family of
the children

3-24-14
Dearest Hespi,



With grateful heart

I'm thanking Him—

He's shown Himself

through **you.**

With sincere gratitude
and deepest appreciation
The family of Janie
Philo thanks you!!

Linda + David Fisk

Let your light shine...
that they may see
your good deeds
and praise your Father
in heaven.

MATTHEW 5:16 NIV

~~Back to the future~~ 78

Copy

SUPPLEMENTAL-#1

-Copy-

Life House Hospice

CN1406-023

06/24/2014
Phillip M. Earhart
Health Services Development Examiner

80

SUPPLEMENTAL #1

June 23, 2014

1:35 pm

RE: Certificate of Need Application CN1406-023
Life House Hospice, Inc.
Supplemental One 06/19/2014

Dear Mr. Earhart,

The following are the responses to the questions in Supplemental One.

Section B, Project Description, Item I.

The executive summary is noted. However, please list each of the following topics and provide a brief description underneath each:

- **Brief description of proposed services and equipment**

Response: The services will include in home hospices services of routine care, continuous care and, under contract with Life House Residential Hospice, inpatient and respite care.

- **Ownership structure**

Response: The ownership is a for-profit corporation Life House Hospice, Inc. owned 100% by Connie Mitchell.

- **Service area**

Response: The service area I am requesting is Putnam County Tennessee.

- **Need**

Response: There is no hospice providing "Total Hospice" care in Putnam County at this time. The need for Life House Hospice, Inc to provide in-home care along with our inpatient facility is necessary in order to have "Total Care" available to our patients and the patients of the other hospice providers in Putnam County.

- **Existing Resources**

Response: There are four in-home hospice providers in Putnam County at this time. Caris, Avalon, Gentiva and Amedysis. Caris with 59% of the in-home hospice market in 2013, Avalon with 29% and Gentiva with 12%. Amedysis is not using their CON for hospice in Putnam County. None of the Existing providers provide "Total Hospice"

June 23, 2014**1:35 pm**

- **Project Cost**

Response: Our projected start up costs are very minimal as Life House Residential Hospice is making their facility available to Life House Hospice, Inc. Our place in which to operate is a 250 square foot office in Life House Residential Hospice. We will purchase our own supplies, license and the cost of the CON.

- **Funding Financial Feasibility**

Response: We have \$10000 cash reserves invested for this project. The CON fee of \$3000 has already been paid as has the \$1080 for licensure. The rent will be paid monthly as will the required supplies. Putnam 1st Mercantile Bank is our partner and, as stated in their letter to Life House Hospice, Inc., will continue to support our efforts as needed through our line of credit.

- **Staffing**

Response: Life House Residential Hospice has hired Registered Nurses for \$22 per hour, Certified Nursing Assistants for \$10 per hour and at this time we have one of the nurses at Life House Residential Hospice willing to services our home patients for \$22 per hour plus mileage. The aides are ready to work in the home service for \$10 per hour plus mileage. We have our on-call services through Life House Residential Hospice. The Chaplain and the Social Worker from Life House Residential Hospice will work Life House Hospice, Inc in-home services, as well.

Please list and describe the hospice levels of care that will be offered by the applicant.

Response: There are four levels of care provided by hospices in the United States. Every patient receiving hospice services will be on one of these four levels. A hospice patient can move from one level to another and back, depending on the services required to manage his or her needs. The need of the patient will determine their individual level of care.

Routine Home Care

Patient at home with symptoms controlled

A patient will be placed at this level of care if he or she resides at home and does not have symptoms which are out of control. These symptoms could include—but aren't limited to—severe pain, continuous nausea and vomiting, bleeding, acute respiratory distress, and unbearable restlessness or agitation. A patient at this level has access to the following services:

- Registered Nurse Visits
- Social Worker Visits
- Chaplain Visits
- Home Health Aide Services
- Counselors
- Medications
- Equipment

The needs of the patient determine the number of visits from hospice staff members. These needs are established and outlined in a plan of care formed by the hospice team and the patient's physician. The care plan serves as a guideline to assist all those serving the patient with care. At this level of care the patient also has access to an on-call hospice nurse twenty-four hours a day.

Inpatient Care

Patient in facility with uncontrolled symptoms

A hospice patient may require inpatient care when his or her symptoms have gotten out of hand and can no longer be managed at home. When these symptoms cannot be controlled on routine home care, then the patient requires extra attention until these symptoms subside. Hospices take aggressive actions to control the symptoms and make the patient comfortable. In order to do this, the patient may be temporarily placed in a hospice home or an acute care hospital. At this level of care, a moment-to-moment assessment of what's happening and what needs to be done takes place. The hospice team and the patient's physician work together to ensure the patient obtains and maintains a tolerable comfort level. Once this has been achieved, the patient will return home and back to routine home care.

Respite Care

Patient at facility with symptoms controlled

A patient may be moved to respite care when the caregiver needs a break. Many hospice patients live at home, with their family providing most of the care, sometimes around the clock. Caring for their loved one can be exhausting and very stressful. The family members and/or caregivers need time to themselves and it's important that they take that time. Respite care allows a patient to be temporarily placed in a facility with 24-hour care so the family can rest. If the patient is willing and the family requests it, hospice must provide placement in a facility or a hospice home for the patient. The patient will be transferred to the facility, and according to Medicare regulations, can stay for up to five days before being transferred back home.

Continuous Nursing Care

Patient at home with uncontrolled symptoms

A patient would receive continuous nursing care if he or she has symptoms that are out of control and choose to stay at home. This is similar to inpatient care, except that the patient remains in his or her home instead of being placed in a facility. A hospice nurse is required to provide continuous around-the-clock nursing care if the symptoms cannot be controlled while on routine home care. According to the Hospice Patients Alliance, there is only one exception to this requirement: if the hospice has fewer than seven employees, is in a rural or nonmetropolitan area, and does not have the staff to provide continuous nursing care in the home. However, most hospices are required to provide this level of care if it is needed.

What services does the applicant plan to provide directly and what by contractual agreement?

Response: The services will include in home hospices services of routine care, minimal if any

continuous care and, under contract with Life House Residential Hospice, inpatient and respite care.

June 23, 2014

1:35 pm

2. Section B, Project Description, Item II.A.

Please provide the development of the proposal.

The proposal was developed in response to a need for a continuum of care in Putnam County. Life House Residential Hospice was licensed in February of 2014 and began accepting patients in March of 2014 with the expectation that the Department of Health would schedule a Medicare survey. In March I was told that we could not be surveyed as we were not an in-home hospice and could not contract for that level of care with existing providers. I tried to make contractual agreements with the in-home providers but that was not acceptable to Medicare. The residential/inpatient hospice must be owned by an in-home agency in order to be reimbursed by Medicare. I then tried to find an existing agency to purchase Life House Residential Hospice – no takers! So my next step was to find out what I needed to do to provide in-home care and be the only “Total Hospice” provider in Putnam County. The “Total Hospice” concept as presented in the May 23, 2013 Tennessee Hospice Guidelines has been a welcomed concept to our business plan and an option we look forward to sharing with our residents and the healthcare community.

This is why I am requesting a CON for in-home hospice services.

3. Section B, Project Description, Item II.C. and II E.3

Please describe your need to provide a non-residential hospice in Putnam County. Stating Medicare certification of a non-residential hospice is needed to be Medicare certified for reimbursement of an inpatient hospice is not acceptable as a response.

Response: The need to provide non-residential hospice in Putnam County is to provide a continuum of care not currently available.

There appears to be clerical errors by the applicant in referring to an attached lease for the applicant’s legal interest in Equipment in Item II.E.3. Please clarify. If needed please provide a corrected page 13.

Response: The correct response is *not applicable*.

4. Section B, Project Description, Item III.A.(Plot Plan)

Please indicate the size of site (in acres) on the plot plan and re-submit.

Response: See attachment

5. Section C, Need, Item 1a. (Service Specific Criteria-Hospice Services) June 23, 2014

The applicant has provided responses to the hospice services criterion without listing the questions. Please list each criterion and standard and provide a response underneath.

1. Adequate Staffing

Please document a plan demonstrating the intent and ability to recruit, hire, train, assess competencies of, supervise and retain the appropriate numbers of qualified personnel to provide the services described in the application and that such personnel are available in the proposed Service Area.

Response: Life House Hospice, Inc will comply with the general staffing guidelines and qualifications set forth by the National Hospice and Palliative Care Organization. **See attachment 5.1.**

Section B, Project Description, Item I Staffing.

Please describe the general staffing guidelines and qualifications set forth by the National Hospice and Palliative Care Organization.

Response: See Attachment 5.1. Guidelines

Please describe how the applicant will meet those guidelines.

Response: Life House Hospice will comply by utilizing the recommended median staffing guidelines while adjusting for acuity and turnover. Life House Hospice will work with our healthcare staff to continue their educational skills in order to bring our patients the best possible care in the hospice field. We, also, plan to work with the nursing department at Tennessee Tech to offer internships to future healthcare professionals.

2. Community Linkage Plan

Please provide a community linkage plan that demonstrates factors such as, but not limited to relationships with appropriate health care system providers/services, and working agreements with other related community services assuring continuity of care focusing on coordinated, integrated systems.

Please provide letters from physicians in support of the application that details specific instance of unmet need relative to this application.

The applicant has provided a letter of support from Cookeville Regional Medical Center for a previous Emergency CON of the applicant. If needed, please re-submit a letter supporting this project from Cookeville Regional Medical Center.

Response: The applicant has relationships with the hospitals, hospice providers, physicians, and has working agreements with other related community services assuring continuity of care focusing on coordinated, integrated systems. Letters from physicians and Cookeville Regional in support of our application show a need for total hospice services. CRMC Cancer

Center, in the response from their director Lisa Baggett, had 151 hospice appropriate patients they could have referred to total hospice services in 2013. See Attachment Letters of support.

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4. Access

Please demonstrate an ability and willingness to serve equally all of the Service Area in which it seeks certification.

Response: We are seeking only Putnam County in which our licensed Residential Hospice is located. We have recruited, trained and hired adequate staff to service our inpatient facility as well as our in-home needs. This will allow us to offer the total hospice services not currently available in Putnam County and complete continuity of care with certain staff serving all hospice levels of care. This will allow the patients seamless transitions between levels of care as required by their individual plan of care for all residents of Putnam County. We will serve all residents equally regardless of ability to pay.

Please describe any instances of limited access to in-home hospice services in the proposed service area.

Response: The percentage of patients in the US that died in hospice care in 2012 was 44.6% according to National Hospice and Palliative Care Organization (NHPCO) and rising. All of the hospice providers in Putnam County provided only 40.8% in 2012 and 41.3% in 2013 of the hospice services needed. These statistics demonstrate a minimum of 4% of the people that die in Putnam County do not have hospice services or 29 families per year not being serviced at all when compared with national average. The hospices services provided, also, did not increase as the population increased. In fact the hospice penetration rate decreased by 7.5% from 2011 to 2013. The penetration decrease resulted in a minimum of 24 patients not having services.

5. Indigent Care

Please address and respond to the areas (a-c) in this standard.

- a. Demonstrating a plan to work with community-based organizations in the Service Area to develop a support system to provide hospice services to the indigent and to conduct outreach and education efforts about hospice services.**

Response: Life House Hospice, Inc is working with the churches, the senior center and organizations, the Upper Cumberland Development District, Cookeville Regional Hospital, the physicians, and the home health agencies to help educate the community agencies, churches and social groups as to the benefits of hospice. Further, we want them to know that everyone will be served by Life House Hospice, Inc regardless of their ability to pay.

- b. Details about how the applicant plans to provide this outreach.**

Response: We have engaged an RN with long hospice history in Putnam County to be our community liaison to reach as many as we can to offer our services. She has already begun seminars and meetings with encouraging responses.

- c. Details about how the applicant plans to fundraise in order to provide indigent and/or charity care.**

Response: The non-profit Friends of Life House, Inc has a shop called Precious Memories that takes all proceeds go to hospice indigent care and hospice patient needs.

6. Quality Control and Monitoring

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June 23, 2014

Please identify and document the applicant's proposed plan for data reporting, quality improvement, and outcome and process monitoring system.

Response: Life House Hospice, Inc will report, as Medicare requires of all hospices, quality data through the National Quality Review (NQR). Additionally, we intend to be fully accredited by Community Health Accreditation Program (CHAP). The Chap accreditation process utilizes the "CHAP Standards of Excellence" which are driven by considerations of management, quality, client outcomes, adequate resources and long term viability.

At least the following data will be collected on an ongoing basis for accountability in program planning and monitoring budgetary priorities:

- ~ total number of clients seen annually;
- ~ number of clients by age, sex, race, diagnosis, discipline;
- ~ number of clients by source of referral;
- ~ average length of stay;
- ~ average daily census;
- ~ indicate the diagnosis for each patient, i.e., cancer, AIDS, etc.;
- ~ total days of respite care and inpatient care;
- ~ site of death for all patients who die in the program;
- ~ average annual cost per patient per year.

Please clarify if the applicant intends to be fully accredited by The Joint Commission or other accrediting body.

Response: We intend to be fully accredited by CHAP.

What is NHPCO?

Response: National Hospice and Palliative Care Organization.

7. Data Requirements

Please clarify if the applicant agrees to provide the Department of Health and/or the Health Services and Development Agency with all reasonably requested information and statistical data related to the operation and provision of services and to report that data in the time and format requested.

Response: Life House Hospice, Inc agrees to provide the Department of Health and/or the Health Services and Development Agency with all reasonably requested information and statistical data related to the operation and provision of services and to report that data in the time and format requested.

8. Education

Please provide additional details of the applicant's plan to educate service area providers and others in the community about the need for timely referral of hospice patients.

Response: Our community RN liaison will be holding seminars and providing educational materials to the area health care providers. The best educational tool is testimonials of former hospice families. We have several volunteers from our prior hospice families that wish to help educate the public through churches, senior groups, civic groups, and homeless organizations as to the benefits of earlier hospice utilization.

Families who perceived that their loved ones were referred to hospice "too late" were less happy with the end-of-life care of their family member. In a study published in the July issue of the *Journal of Pain and Symptom Management*, one out of ten families felt that hospice care was not provided soon enough.

Quoting from the NHCPO website:

"Timely referrals ensure that patients and families can experience the wide range of available services and benefits hospices can provide. Hospice provides symptom control, pain management, and emotional and spiritual support expressly tailored to the patient's needs and wishes. Family members also receive support, caregiver training, and help coping with the loss of their loved one."

"In many cases, families aren't aware of what they are missing and don't realize how hospice can make a world of difference for the comfort and quality of life for their loved ones," [said Stephen Connor, NHPCO vice president for research]. "One of the most common complaints hospice providers hear from families following the death of a loved one is 'why didn't we get hospice care sooner.'"

Our community training program will focus on these concepts and personal experience. We are very blessed to have volunteer spokes person that have joined us in our mission.

The applicant has provide a response with a heading of "please note" on the bottom of page 15 of the application. It appears this response is out of sequence. Please clarify.

Response: Please disregard the Please Note Comment.

Please provide a source document for the following statement located on the top of page 16 "The inpatient hospice, inpatient respite, and continuous care utilization according to Medicare is least likely to be utilized in the south where routine care is primarily utilized".

Response: HHS-500-2005-000181 Medicare Hospice Payment Reform: Hospice Study Technical Report pg. 20 | 4. Analysis of Trends in General Inpatient Care Utilization Abt Associates Inc.

4.3.3 Provider Region

Finally, we also found variation in the provision of GIP by hospice provider's geographic location (Figure 10). About 40% of providers are located in the South census region, a quarter of providers are in the Midwest, nearly a fifth are in the West, and just over 10% are located in New England.

Although the South has the greatest number of hospice providers across the four regions (N=1,481), it has the lowest percentage of providers who provide GIP (77%). Conversely, New England has the smallest number of hospice providers across the four regions (N=445) and nearly all of them (91%) provide GIP.

4.4 Conclusion

About a quarter of all hospice beneficiaries in 2010–2011 had at least one GIP stay; the vast majority of these beneficiaries had just one GIP stay. Sixty-five percent of GIP days were provided in inpatient

hospices, a quarter were provided in inpatient hospitals and 8% were provided in skilled nursing facilities. Across all sites of service, the average GIP stay was 5.7 days, but varied by site of service (6.3 days in inpatient hospices; 4.7 days in inpatient hospitals; 5.3 days in skilled nursing facilities). Over half of beneficiaries were not in hospice the day immediately before their GIP stay, and relatively few (4%) were discharged alive from hospice immediately following their GIP stay. Almost a quarter of GIP stays began over 30 days after the beneficiary began hospice, while three-quarters of GIP stays ended within 3 days of the end of the beneficiary's hospice episode.

Our analysis also revealed considerable variation in provider characteristics and provision of GIP. Among the nearly 80% of hospice providers who provided at least one GIP day in 2010–2011, nearly all of them had 13% or fewer GIP days out of their total number of billed hospice days (average= 1.5%). However, a small number of providers billed over 20% of their hospice days as GIP days. A higher proportion of established hospice providers provide GIP compared to newer hospice providers, and nearly all large providers provide GIP compared to only half of small providers. **Finally, we also found variation in the provision of GIP by hospice provider's geographic location: 77% of providers in the South provided GIP compared to 91% of providers in New England.**

Other Questions:

Please address #11 (Hospice Need formula) and provide a response.

Response: NEED

16. Need Formula. The need for Hospice Services shall be determined by using the following Hospice Need Formula, which shall be applied to each county in Tennessee:

$A / B = \text{Hospice Penetration Rate}$

Where:

A = the mean annual number of Hospice unduplicated patients served in a county for the preceding two calendar years as reported by the Tennessee Department of Health;
and

B = the mean annual number of Deaths in a county for the preceding two calendar years as reported by the Tennessee Department of Health.

Note that the Tennessee Department of Health Joint Annual Report of Hospice defines "unduplicated patients served" as "number of patients receiving services on day one of reporting period plus number of admissions during the reporting period."

Need shall be established in a county (thus, enabling an applicant to include it in the proposed Service Area) if its Hospice Penetration Rate is less than 80% of the Statewide Median Hospice Penetration Rate and if there is a need shown for at least 120 additional hospice service recipients in the proposed Service Area.

The following formula to determine the demand for additional hospice service recipients shall be applied to each county, and the results should be aggregated for the proposed service area:

Hospice Need Formula

County	2012 Patients Served	2013 Patients Served	Mean (A)	2012 Deaths	2013 Deaths	Mean (B)	County Hospice Penetration Rate (C)	Statewide Penetration Median Rate (D)	Demand For Additional Services (E)
Putnam	298	397	303	730	735	733	.4133	.4494	0

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Does the new standards approved May 23, 2013 allow for any exceptions to the hospice need formula?

Response: This hospice project for in-home services does not fit the standard projected need formula in the State Guidelines for Growth for home hospice services. Life House Hospice, Inc is unique in Putnam County because it is the only hospice that will provide "Total Hospice" services. There are exceptions to the hospice formula in the *Guidelines for Growth* under *Hospice Services*, which states:

Exception to the Hospice Formula

The applicant must demonstrate that circumstances exist to justify the approval of a new hospice. Evidence submitted by the applicant must document one or more of the following:

- 1. That a specific terminally ill population is not being served;**
2. That a county or counties within the service area of a licensed hospice program are not being served; and
3. That there are persons referred to hospice programs who are not being admitted within 48 hours (excluding cases where a later admission date has been requested). The applicant shall indicate the number of persons.

If the need for the exception to the hospice formula is justified, then the review criteria followingshall also apply.

CON Review Criteria

1. The application shall document the existence of at least one of the following three conditions to demonstrate a need for additional hospice services in an area:
 - a. absence of services by a hospice certified for Medicaid and Medicare, and evidence that the applicant will provide Medicaid- and Medicare-certified hospice in the area; or
 - b. absence of services by a hospice that serves patients regardless of the patient's ability to pay, and evidence that the applicant will provide services for patients regardless of ability to pay; or
 - c. evidence that existing programs fail to meet the demand for hospice services for persons who have terminal cancer or other qualifying terminal illness. Specifically "Total Hospice".**
2. The applicant shall set forth its plan for care of patients without private insurance coverage and its plan for care of medically underserved populations. The applicant shall include demographic identification or underserved populations in the applicant's proposed service area and shall not deny services solely based on the patient's ability to pay.

Putnam County had a state average of deaths from health related issues of 9.8 per 1000 population. The population in Putnam County in 2012 and 2013 respectively was 73022 and 73525. Thus the deaths in 2012 were 730 and the deaths in 2013 were 735. The percentage of patients in the US that died in hospice care in 2012 was 44.6 % according to NHPCO and rising. All hospice providers in Putnam County provided only 40.8% in 2012 and 41.3% in 2013 of the hospice services needed. Additionally, the hospice providers in Putnam County from 2011-2013 had a deficit in market share as a group of 7.25%. The Cancer Center at Cookeville Regional Hospital has indicated that 151 patients went underserved in 2013 due to the lack of "Total Hospice" services.

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On the bottom of page 15 the applicant indicates Putnam County had a state average of deaths from health related issues of 9.8 per 100,000 population. Please clarify what is classified as health "related issues".

Response: The Statistic is 9.8 per 1000 which excludes deaths from accidents, self inflicted or murder.

The chart on page 16 of hospice patients served in Putnam County is noted. However, please clarify the significance of the last column of the table. Does this column represent all hospices in Davidson County or just the Putnam County hospice providers that also provides care in Davidson County?

Response: The last column represents the Putnam County hospice providers that also provide care in Davidson County.

Tables on page 16 and 19 are noted. In 2013 Gentiva served 38 patients rather than 35 as noted. Please revise.

Response:

Hospice Patients served in Putnam County

<i>Providers</i>	<i>2012</i>	<i>2013</i>	<i>2013</i>
<i>Putnam County</i>	<i>Total patients served</i>	<i>Total patients served</i>	<i>Other than routine 1.5%</i>
<i>Avalon</i>	<i>87</i>	<i>88</i>	<i>1</i>
<i>Gentiva</i>	<i>40</i>	<i>38</i>	<i>1</i>
<i>Caris</i>	<i>171</i>	<i>181</i>	<i>3</i>
<i>Amedysis</i>	<i>0</i>	<i>0</i>	
<i>Total Hospice Patients</i>	<i>298</i>	<i>307</i>	<i>4</i>

6. Section C, Need, Item 4.A.

Your response to this item is noted. Using population data from the Department of Health, enrollee data from the Bureau of TennCare, and demographic information from the US Census Bureau, please complete the following table and include data for each county in your proposed service area.

	<i>Putnam County</i>	<i>Tennessee</i>
Current Year (2014), Age 65+	11691	981,984
Projected Year (2018), Age 65+	12358	1,102,413

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Age 65+, % Change	5.7%	12.1%
Age 65+, % Total (PY)	2%	3%
CY, Total Population	77024	6,588,698
PY, Total Population	75640	6,528,014
Total Pop. % Change	1.8%	.9%
TennCare Enrollees	13990	1,190,766
TennCare Enrollees as a % of Total Population	18.2%	18.1%
Median Age	35.9	37.8
Median Household Income	34107	44140
Population % Below Poverty Level	24.1%	17.3%

7. Section C, Need, Item 4.B.

The special needs of the service area population are noted. Please document how business plans of the agency will take into consideration the special needs of the service area population.

Response:

We have a current population in Putnam County with 15.2% over 65 years of age as compared to the State over 65 of 14.9 %. We, also, have 24.1% of our population under the poverty level as compared to 17.3% statewide. Life house Hospice, Inc, in order to meet the needs of our aging and low income population plans to use our Volunteer Program to work with our Precious Memories thrift shop to raise funds to help our patients with the necessities they cannot afford. Our volunteers will be available to sit with patients so caregivers can get a break when they cannot afford help.

We are going to do fund raisers with the church groups, civic groups and have the Tech students help with on campus fund raiser like car washes. We are working toward a concert series with our local musicians and radio stations. We are focused on community involvement and Christian principal of neighbors helping neighbors.

8. Section C, Need, Item 5

Please complete the following table:

	2011 Hospice Patients	2012 Hospice Patients	2013 Hospice Patients	2011-2013 Percent Changed
Avalon Hospice	149	87	88	(41%)
Amedisys Hospice an Adventa Co. (of Knoxville)	0	0	0	
Odyssey Hospice	39	40	38	(2.6%)
Caris Healthcare	143	171	181	26.5%
Putnam County Total	331	298	307	(7.25%)

June 23, 2014**1:35 pm****9. Section C, Need, Item 6**

Please project the annual utilization for each of the two (2) years following completion of the project. The methodology must include detailed calculations or documentation from referral sources.

Completing the tables below should assist in providing the requested details:

Table 1

Year	Admissions	Patient Days	Average Daily Census	Average Length of Stay
YR 1 2015	24	1440	4	60
YR 2216	36	2160	6	60

Response:

Based on the increased population projected and the decrease market penetration by the existing providers, the applicant should meet the need of the decreased penetration in the first year. The second year 2016, with the Cancer Center of the Cookeville Regional Hospital utilizing our services at even 10% of the projected 151 possible hospice appropriate users in 2013, we should easily meet our admissions projections. See attachment revised Projected Data Chart.

10. Section C, Economic Feasibility, Item 1 (Project Cost Chart)

Please provide calculations of how the applicant allocated \$3,600 for the facility in the Project Costs Chart.

Response: We are leasing the office and common areas to include utilities from Life House Residential Hospice for \$300 per month per the attached lease agreement.

11. Section C, Economic Feasibility, Item 2 (Funding)

The letter from the lending institution is noted. However, please provide in the letter the proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions and conditions.

Response: As I stated, we do not need to borrow at this time as we have adequate funds already submitted to HSDA and the Department of Health Licensing agency. Putnam 1st Mercantile Bank has stated that they will support us if necessary.

12. Section C, Economic Feasibility, Item 3 93

SUPPLEMENTAL #1

June 23, 2014

Please discuss and document the reasonableness of the proposed project costs.

Response: The proposed project costs are limited to the Con and licensure fees. The lease and supply fee are the only additional costs due our relationship with Life House Residential Hospice.

13. Section C, Economic Feasibility, Item 4 (Projected Data Chart)**June 23, 2014****1:35 pm****What are the total patient visits for each of the years 2014 and 2015?****Response: Based on the Medicare Hospice utilization reports for 2011 below our visits
Would be as follows:**

visits	2014	2015
Registered Nurse	238	475
Certified Nurse Aide	180	360
Social Services	50	100
Physician (Recerts 60 days)	12	24
Total Visits	480	959

Medicare Hospice Payment Reform: Hospice Study Technical Report HHSM-500-2005-000181
 Abt Associates Inc. Appendix A: Descriptive Statistics on Hospice Utilization for 2011 | pg. 65

Data item All patients
episodes

Median number of PART A PER DIEM SKILLED NURSING VISITS	0.33
Median number of PART A PER DIEM HOME HEALTH AIDE VISITS	0.25
Median number of PART A PER DIEM SOCIAL SERVICE VISITS	0.07
Median number of PART A PER DIEM THERAPY VISITS (physical, speech, occupational)	0

**There are addition errors in the table for Year One on the top of page 25. Please revise both
the table and Projected Data Chart.**

Response: See Below

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Other Expenses		
	year one	year two
Ins, benefits	12000	24000
marketing	2000	1000
Dme, pharmacy	11000	22000
Miscellaneous	3100	9000
Total	28100	56000

The applicant states "the 15% of inpatient is under contract with Life House Inpatient for \$500.00 per day which will still gross \$140.00 per day. This statement does not appear to reflect in the Projected Data Chart. Please clarify this statement as it relates to the designation of revenue in the Projected Data Chart.

Response: The Agency, Life House Hospice, Inc, will pay Life House Residential Hospice all reimbursements over our \$140.00 for inpatient care under contract.

14. Section C, Economic Feasibility, Item 6.B

Since the applicant payor mix consists of 99% Medicare recipients, please compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code (s).

Response:

The four levels of care into which each day of care is classified:

Routine Home Care	Revenue code 0651
Continuous Home Care	Revenue code 0652
Inpatient Respite Care	Revenue code 0655
General Inpatient Care	Revenue code 0656

For each day that a Medicare beneficiary is under the care of a hospice, the hospice is reimbursed an amount applicable to the type and intensity of the services furnished to the beneficiary for that day. For continuous home care the amount of payment is determined based on the number of hours, reported in increments of 15 minutes, of continuous care furnished to the beneficiary on that day. For the other categories a single rate is applicable for the category for each day.

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Table 1: FY 2014	Description	FY 2013 Payment Rates	Multiply by the FY 2014 final hospice payment update of 1.7 percent	FY 2014 final Payment Rate	Putnam County per Jar other providers
651	Routine Home Care	\$153.45	x1.017	\$156.06	\$140.00
652	Continuous Home Care Full Rate = 24 hours of care \$=37.95 hourly rate	\$895.56	x1.017	\$910.78	\$870.00
655	Inpatient Respite Care	\$158.72	x1.017	\$161.42	\$140.00
656	General Inpatient Care	\$682.59	x1.017	\$694.19	\$655.00

15. Section C, Economic Feasibility, Item 8

It is noted the applicant expects 99% of the revenue will from Medicare in year one is noted. However, why is there almost 4% designated as charity care, almost 5% for contractual adjustments, and almost 1% designated as bad debt in Year One?

Please complete the following chart for the proposed hospice.

Payor	Full year one Gross Revenues 2015	% of Total Revenues
Medicare	312840	99%
Medicaid/TennCare	0	0
Commercial insurance	0	0
Self-Pay	0	0
Charity	3000	1%
Total		100%

16. Section C, Economic Feasibility, Item 10 a.

- a. A discussion regarding the availability of less costly, more effective, and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, the applicant should justify why not; including reasons as to why they were rejected.

Response: This proposal was the only viable alternative to a need for a continuum of care in Putnam County. Life House Residential Hospice was licensed in February of 2014 and began accepting patients in March of 2014 with the expectation that the Department of Health would schedule a Medicare survey. In March I was told that we could not be surveyed as we were not an in-home hospice and could not contract for that level of care with existing providers. I tried to make contractual agreements with the in-home providers but that was not acceptable to Medicare. The residential/inpatient hospice must be owned by an in-home agency in order to be reimbursed by Medicare. I then tried to find an existing agency to purchase Life House Residential Hospice – no takers! So my next step was to find out what I needed to do to provide in-home care and be the only “Total Hospice” provider in Putnam County. The “Total Hospice” concept as presented in the May 23, 2013 Tennessee Hospice Guidelines has been a welcomed concept to our business plan and an option we look forward to sharing with our residents and the healthcare community.

This is why I am requesting a CON for in-home hospice services, it is our only solution to Total Hospice for Putnam County at this time.

17. Section C, Economic Feasibility, Item 11

Please describe all alternatives to this project which were considered and discuss the advantages and disadvantages of each alternative.

Response: See Response 16 above.

18. Section C, Orderly Development, Item 1

The applicant has provided a listing of several contracts. Please clarify if those contracts are related to this application or the residential hospice. The contracts listed here should be specific to a home hospice serving Putnam County residents.

Response: The only contracts that will pertain to the in-home hospice specifically are:
Cookeville regional, Livingston Hospital, Buckeye DME, Tri-Med pharmacy

The applicant has provided an email from Avalon which references a “Business Associates Agreement”, please clarify.

Response: You are correct, this is for the residential hospice. Please discard.

June 23, 2014**1:35 pm****19. Section C, Orderly Development, Item 2**

Please complete the following chart to help in the assessment of what impact the proposed project may have on existing hospice providers in the service area.

Agency	2013 Service Area Total	Grand Total	Service Area Total as % of Total Service Area Patients (Market Share)	Service Area Total as % of Grand Total (Patient Origin)
Avalon Hospice	88 / 307	1415	29%	6%
Amedysis Hospice and Adventa Co. (of Knoxville)	0	1656	0	0
Gentiva Hospice Odyssey	38 / 307	1109	12%	3%
Caris Healthcare	181 / 307	1037	59%	17%

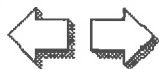
Response: The percentages of the market share for Putnam County as compared to the total service area on the JAR is much less significant than the market share for the county alone.

20. Section C, Orderly Development, Item 3

Please compare the clinical salaries in the proposal to prevailing wage patterns in the service area as published by the Tennessee Department of Labor and Workforce Development.

Response: The current wages for health care are as follows:

TENNESSEE OCCUPATIONAL WAGES



Total all industries**BOS area 470003****Healthcare Practitioners and Technical Occupations**

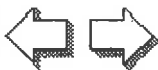
Occupation	Occ. code	Est. empl.	Mean wage	Entry wage	Exp. wage	25th pct	Median wage	75th pct
HEALTHCARE PRACTITIONERS AND TECHNICAL OCCUPATIONS	29-0000	9,000	52,580	27,030	65,360	30,560	41,050	58,040
			25.30	13.00	31.40	14.70	19.75	27.90
Chiropractors	29-1011	N/A	47,820	35,030	54,210	36,660	51,690	56,370
			23.00	16.85	26.05	17.60	24.85	27.10
Dentists, General	29-1021	50	150,790	104,890	173,730	118,160	160,640	178,550
			72.50	50.45	83.55	56.80	77.25	85.85
Dietitians and Nutritionists	29-1031	70	44,760	38,040	48,120	40,190	43,770	47,360
			21.50	18.30	23.15	19.30	21.05	22.75
Optometrists	29-1041	40	110,000	68,270	130,870	79,490	93,500	146,200
			52.90	32.80	62.90	38.20	44.95	70.30
Pharmacists	29-1051	280	121,660	99,350	132,810	112,740	127,610	140,550
			58.50	47.75	63.85	54.20	61.35	67.55
Family and General Practitioners	29-1062	30	157,570	106,790	182,960	113,190	148,980	181,160
			75.75	51.35	87.95	54.40	71.60	87.10
Internists, General	29-1063	N/A	222,720	141,940	** 168,100	**	**	**
			107.10	68.25	* 80.80	*	*	*
Surgeons	29-1067	N/A	N/A	N/A	N/A	N/A	N/A	N/A
			N/A	N/A	N/A	N/A	N/A	N/A

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Physicians and Surgeons, All Other	29-1069	200	197,140	103,480	243,980	118,850	**	**
			94.80	49.75	117.30	57.15	*	*
Physician Assistants	29-1071	50	67,150	37,940	81,750	43,120	78,520	88,030
			32.30	18.25	39.30	20.75	37.75	42.30
Occupational Therapists	29-1122	90	74,230	58,590	82,050	66,980	75,440	87,150
			35.70	28.15	39.45	32.20	36.25	41.90
Physical Therapists	29-1123	190	87,090	61,980	99,640	69,370	82,790	94,640
			41.85	29.80	47.90	33.35	39.80	45.50
Radiation Therapists	29-1124	N/A	58,290	43,690	65,590	46,120	58,820	70,080
			28.00	21.00	31.55	22.15	28.30	33.70
Respiratory Therapists	29-1126	190	47,620	41,720	50,560	42,260	46,600	53,690
			22.90	20.05	24.30	20.30	22.40	25.80
Speech-Language Pathologists	29-1127	70	63,540	39,180	75,720	43,740	59,050	84,970
			30.55	18.85	36.40	21.05	28.40	40.85
Veterinarians	29-1131	20	74,800	61,540	81,440	66,810	77,560	86,670
			35.95	29.60	39.15	32.10	37.30	41.65
Registered Nurses	29-1141	2,360	53,480	43,080	58,680	47,600	54,090	59,690
			25.70	20.70	28.20	22.90	26.00	28.70
Nurse Practitioners	29-1171	170	82,380	61,130	93,010	70,050	82,090	91,480
			39.60	29.40	44.70	33.70	39.45	44.00
Medical and Clinical Laboratory Technologists	29-2011	110	54,690	42,800	60,630	47,180	54,810	61,410
			26.30	20.60	29.15	22.70	26.35	29.50
Medical and Clinical Laboratory Technicians	29-2012	270	33,630	24,000	38,440	27,100	33,730	41,630
			16.15	11.55	18.50	13.05	16.20	20.00

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Dental Hygienists	29-2021	130	61,480	42,190	71,130	46,370	60,930	77,090
			29.55	20.30	34.20	22.30	29.30	37.05
Cardiovascular Technologists and Technicians	29-2031	20	41,060	34,060	44,560	34,510	38,440	48,470
			19.75	16.35	21.40	16.60	18.50	23.30
Diagnostic Medical Sonographers	29-2032	100	58,410	46,020	64,600	48,740	60,240	68,590
			28.10	22.15	31.05	23.45	28.95	33.00
Nuclear Medicine Technologists	29-2033	20	50,090	42,590	53,840	43,720	48,720	56,290
			24.10	20.50	25.90	21.00	23.40	27.05
Radiologic Technologists and Technicians	29-2034	340	42,770	32,500	47,910	34,700	41,970	50,840
			20.55	15.65	23.05	16.70	20.20	24.45
Magnetic Resonance Imaging Technologists	29-2035	30	55,020	50,860	57,100	50,760	54,890	59,020
			26.45	24.45	27.45	24.40	26.40	28.35
Emergency Medical Technicians and Paramedics	29-2041	720	27,320	19,450	31,260	21,110	25,580	31,370
			13.15	9.35	15.05	10.15	12.30	15.10
Dietetic Technicians	29-2051	60	19,640	16,840	21,050	17,160	18,870	22,220
			9.45	8.10	10.10	8.25	9.05	10.70
Pharmacy Technicians	29-2052	670	28,450	22,310	31,520	23,980	27,950	32,420
			13.70	10.75	15.15	11.55	13.45	15.60



Entry and Experienced wages represent the mean of the lower third and the mean of the upper two-thirds of the wage distribution respectively. The OES survey does not collect information for entry or experienced workers. Tennessee Department of Labor & Workforce Development, Employment Security Division, Labor Market Information. Publish date June 2013.

US Labor Statistic

29-0000	<u>Healthcare Practitioners and Technical Occupations</u>	major	185,740	1.3%	68.790	1.18	\$24.66	\$31.33	\$65,170	1.1%
29-1011	<u>Chiropractors</u>	detail	300	18.0%	0.113	0.52	\$36.39	\$39.77	\$82,710	8.3%

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29-1021	<u>Dentists, General</u>	detail	940	16.5%	0.348	0.48	\$86.66	\$91.53	\$190,380	4.4%
29-1022	<u>Oral and Maxillofacial Surgeons</u>	detail	170	42.7%	0.065	1.63	(5)	(5)	(5)	8.6%
29-1023	<u>Orthodontists</u>	detail	(8)	(8)	(8)	(8)	(5)	(5)	(5)	10.8%
29-1029	<u>Dentists, All Other Specialists</u>	detail	(8)	(8)	(8)	(8)	(5)	\$110.70	\$230,260	14.9%
29-1031	<u>Dietitians and Nutritionists</u>	detail	1,020	6.2%	0.379	0.84	\$23.92	\$24.32	\$50,580	1.2%
29-1041	<u>Optometrists</u>	detail	480	13.5%	0.179	0.74	\$50.52	\$50.14	\$104,300	4.0%
29-1051	<u>Pharmacists</u>	detail	8,230	8.9%	3.049	1.41	\$58.88	\$56.12	\$116,720	1.9%
29-1061	<u>Anesthesiologists</u>	detail	520	27.4%	0.191	0.84	(5)	(5)	(5)	6.2%
29-1062	<u>Family and General Practitioners</u>	detail	1,260	17.7%	0.465	0.51	\$69.80	\$74.68	\$155,340	10.0%
29-1063	<u>Internists, General</u>	detail	720	20.1%	0.267	0.76	\$87.57	\$83.72	\$174,140	11.4%
29-1064	<u>Obstetricians and Gynecologists</u>	detail	330	29.0%	0.120	0.74	(5)	\$96.31	\$200,330	6.0%
29-1065	<u>Pediatricians, General</u>	detail	370	23.3%	0.137	0.59	\$81.44	\$81.63	\$169,790	6.8%
29-1066	<u>Psychiatrists</u>	detail	250	16.5%	0.092	0.49	\$88.57	\$88.74	\$184,580	6.7%
29-1067	<u>Surgeons</u>	detail	910	13.7%	0.336	1.08	(5)	\$113.60	\$236,290	3.3%
29-1069	<u>Physicians and Surgeons, All Other</u>	detail	6,630	6.2%	2.454	1.06	(5)	\$106.84	\$222,230	2.5%
29-1071	<u>Physician Assistants</u>	detail	1,310	7.8%	0.485	0.73	\$42.86	\$43.70	\$90,900	2.7%
29-1081	<u>Podiatrists</u>	detail	110	18.5%	0.041	0.62	\$61.18	\$65.06	\$135,320	10.3%
29-1122	<u>Occupational Therapists</u>	detail	1,740	7.5%	0.646	0.79	\$37.09	\$37.28	\$77,530	1.5%
29-1123	<u>Physical Therapists</u>	detail	4,220	6.5%	1.563	1.06	\$38.68	\$38.42	\$79,900	1.1%
29-1124	<u>Radiation Therapists</u>	detail	520	21.7%	0.194	1.52	\$31.49	\$32.92	\$68,480	1.0%
29-1125	<u>Recreational Therapists</u>	detail	320	25.0%	0.117	0.83	\$19.37	\$22.05	\$45,870	5.8%
29-1126	<u>Respiratory Therapists</u>	detail	3,390	4.2%	1.256	1.40	\$22.87	\$23.32	\$48,510	0.8%
29-1127	<u>Speech-Language Pathologists</u>	detail	2,140	5.7%	0.793	0.84	\$29.24	\$30.92	\$64,320	1.6%
29-1128	<u>Exercise Physiologists</u>	detail	100	10.4%	0.036	0.79	\$20.33	\$21.52	\$44,760	1.6%
29-1129	<u>Therapists, All Other</u>	detail	70	10.5%	0.027	0.32	\$23.65	\$25.18	\$52,380	3.8%
29-1131	<u>Veterinarians</u>	detail	1,170	8.2%	0.432	0.97	\$38.03	\$42.20	\$87,790	8.1%
29-1141	<u>Registered Nurses</u>	detail	57,760	1.8%	21.391	1.07	\$26.96	\$27.27	\$56,730	0.7%
29-1151	<u>Nurse Anesthetists</u>	detail	2,550	17.2%	0.944	3.53	\$65.69	\$69.72	\$145,020	5.1%
29-1161	<u>Nurse Midwives</u>	detail	30	38.6%	0.012	0.28	\$36.16	\$39.85	\$82,890	8.6%
29-1171	<u>Nurse Practitioners</u>	detail	4,380	4.7%	1.624	1.90	\$43.33	\$44.42	\$92,400	1.3%
29-1181	<u>Audiologists</u>	detail	210	20.0%	0.077	0.88	\$30.22	\$30.82	\$64,100	2.7%
29-1199	<u>Health Diagnosing and Treating Practitioners, All Other</u>	detail	190	1.4%	0.070	0.28	\$26.84	\$29.83	\$62,040	3.5%
29-2011	<u>Medical and Clinical Laboratory Technologists</u>	detail	4,280	1.9%	1.584	1.29	\$27.37	\$27.66	\$57,520	0.8%

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29-2012	<u>Medical and Clinical Laboratory Technicians</u>	detail	6,270	2.8%	2.322	1.96	\$16.86	\$17.15	\$35,670	1.7%
29-2021	<u>Dental Hygienists</u>	detail	3,410	8.2%	1.262	0.87	\$30.87	\$30.12	\$62,640	2.5%
29-2031	<u>Cardiovascular Technologists and Technicians</u>	detail	920	3.8%	0.341	0.89	\$22.27	\$22.51	\$46,810	1.2%
29-2032	<u>Diagnostic Medical Sonographers</u>	detail	1,520	6.5%	0.563	1.28	\$28.82	\$28.56	\$59,410	1.0%
29-2033	<u>Nuclear Medicine Technologists</u>	detail	600	17.5%	0.223	1.48	\$30.80	\$30.00	\$62,410	1.3%
29-2034	<u>Radiologic Technologists</u>	detail	5,080	3.3%	1.881	1.29	\$23.39	\$23.55	\$48,980	0.8%
29-2035	<u>Magnetic Resonance Imaging Technologists</u>	detail	990	9.1%	0.368	1.52	\$27.68	\$27.85	\$57,920	1.0%
29-2041	<u>Emergency Medical Technicians and Paramedics</u>	detail	7,270	9.7%	2.692	1.50	\$14.08	\$15.31	\$31,850	2.4%
29-2051	<u>Dietetic Technicians</u>	detail	790	13.8%	0.294	1.48	\$10.69	\$11.83	\$24,610	3.1%
29-2052	<u>Pharmacy Technicians</u>	detail	12,170	4.2%	4.508	1.65	\$13.60	\$14.11	\$29,360	1.1%
29-2053	<u>Psychiatric Technicians</u>	detail	1,170	4.3%	0.434	0.86	\$11.14	\$11.79	\$24,520	1.7%
29-2054	<u>Respiratory Therapy Technicians</u>	detail	380	2.7%	0.140	1.53	\$19.71	\$19.86	\$41,300	1.2%
29-2055	<u>Surgical Technologists</u>	detail	3,170	3.4%	1.173	1.59	\$17.93	\$18.69	\$38,870	0.9%
29-2056	<u>Veterinary Technologists and Technicians</u>	detail	1,610	11.4%	0.596	0.90	\$13.27	\$13.97	\$29,060	3.7%
29-2057	<u>Ophthalmic Medical Technicians</u>	detail	560	24.1%	0.207	0.81	\$16.34	\$16.15	\$33,600	2.6%
29-2061	<u>Licensed Practical and Licensed Vocational Nurses</u>	detail	21,190	2.3%	7.846	1.48	\$17.22	\$17.43	\$36,260	0.6%
29-2071	<u>Medical Records and Health Information Technicians</u>	detail	4,680	4.3%	1.733	1.27	\$14.95	\$16.31	\$33,920	1.9%
29-2081	<u>Opticians, Dispensing</u>	detail	930	9.0%	0.344	0.67	\$15.17	\$15.56	\$32,370	2.3%
29-2091	<u>Orthotists and Prosthetists</u>	detail	100	20.2%	0.038	0.61	\$37.38	\$39.33	\$81,800	5.0%
29-2092	<u>Hearing Aid Specialists</u>	detail	(8)	(8)	(8)	(8)	\$30.32	\$32.41	\$67,410	23.6%
29-2099	<u>Health Technologists and Technicians, All Other</u>	detail	660	8.9%	0.245	0.37	\$25.07	\$27.09	\$56,340	5.2%
29-9011	<u>Occupational Health and Safety Specialists</u>	detail	1,590	12.0%	0.589	1.24	\$30.40	\$30.43	\$63,280	6.5%
29-9012	<u>Occupational Health and Safety Technicians</u>	detail	610	4.2%	0.227	2.20	\$23.20	\$23.75	\$49,410	3.7%
29-9091	<u>Athletic Trainers</u>	detail	550	11.0%	0.203	1.20	(4)	(4)	\$42,170	2.1%
29-9092	<u>Genetic Counselors</u>	detail	40	21.9%	0.015	1.00	\$27.80	\$26.74	\$55,620	12.8%
29-9099	<u>Healthcare Practitioners and Technical Workers, All Other</u>	detail	2,620	5.4%	0.971	2.89	\$20.33	\$22.55	\$46,910	2.7%
31-0000	<u>Healthcare Support Occupations</u>	major	76,580	2.0%	28.361	0.96	\$11.44	\$12.59	\$26,190	0.9%
31-1011	<u>Home Health Aides</u>	detail	11,360	10.7%	4.208	0.69	\$9.01	\$9.24	\$19,220	1.4%
31-1013	<u>Psychiatric Aides</u>	detail	1,690	13.2%	0.626	1.10	\$10.26	\$11.17	\$23,220	4.7%
31-1014	<u>Nursing Assistants</u>	detail	28,860	2.8%	10.688	0.99	\$10.83	\$11.11	\$23,110	0.8%

Occupational Employment Statistics Query System

 FONT SIZE:  

June 23, 2014**1:35 pm**OES **Occupational Employment Statistics**

(For more information or help)

Occupation (SOC code)	Hourly mean wage
Home Health Aides(311011)	9.57
SOC code: Standard Occupational Classification code -- see http://www.bls.gov/soc/home.htm	
Data extracted on June 22, 2013	
Area: North Central Tennessee nonmetropolitan area	
Period: May 2013	
Occupation (SOC code)	Hourly mean wage
Registered Nurses(291141)	26.86
SOC code: Standard Occupational Classification code -- see http://www.bls.gov/soc/home.htm	
Data extracted on June 22, 2013	
Area: North Central Tennessee nonmetropolitan area	
Period: May 2013	

Life House Hospice, Inc will pay our aide a little above the mean and our RNs a little below the mean. What we have found in Life House Residential Hospice is that hospice dedicated staff are willing to start with a less per hour in order to work with hospice patients. It is their heart and passion as it is ours. They want to see hospice services grow in Putnam County and are willing to contribute. We have, also, found a wealth of retired RNs just wanting to supplement their incomes and wanting to contribute to hospice.

21. Section C, Orderly Development, Item 4

Please indicate if a Medical Director has been identified. If so, please provide the name of the physician and documentation of his/her qualifications.

Response: Medical Director has not been identified at this time.

22. Section C, Orderly Development, Item 7 (a.)

Please verify as indicated.

Response: I verify, as applicable, that I have reviewed and understand the licensure requirements of the Department of Health, the Department of Mental Health and Developmental Disabilities, the Division of Mental Retardation Services, and/or any applicable Medicare requirements.

June 23, 2014**1:35 pm****23. Proof of Publication**

Please submit a copy of the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit which is supplied by the newspaper as proof of the publication of the letter of intent.

Response: The original was submitted with the letter of intent.

24. Project Completion Forecast Chart

Please list an Agency projected Initial Decision date.

Response: See Below

June 23, 2014**1:35 pm****PROJECT COMPLETION FORECAST CHART**Enter the Agency projected Initial Decision date, as published in T.C.A. § 68-11-1609(c): 09/24/2014Assuming the CON approval becomes the final agency action on that date; indicate the number of daysfrom the above agency decision date to each phase of the completion forecast.

<u>Phase</u>	<u>DAYS</u>	<u>Anticipated date</u>	<u>REQUIRED(MONTH/YEAR)</u>
<u>1. Architectural and engineering contract signed</u>			
<u>2. Construction documents approved by the Tennessee Department of Health</u>			
<u>3. Construction contract signed</u>			
<u>4. Building permit secured</u>			
<u>5. Site preparation completed</u>			
<u>6. Building construction commenced</u>			
<u>7. Construction 40% complete</u>			
<u>8. Construction 80% complete</u>			
<u>9. Construction 100% complete (approved for occupancy)</u>			
<u>10. *Issuance of license</u>	<u>30</u>		<u>10/2014</u>
<u>11. *Initiation of service</u>	<u>60</u>		<u>11/2014</u>
<u>12. Final Architectural Certification of Payment</u>			
<u>13. Final Project Report Form (HF0055)</u>	<u>90</u>		<u>12/2014</u>

* For projects that do NOT involve construction or renovation: Please complete items 10 and 11 only.

Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

June 23, 2014**1:35 pm**

In accordance with Tennessee Code Annotated, §68-11-1607(c) (5), "...If an application is not deemed complete within sixty (60) days after written notification is given to the applicant by the agency staff that the application is deemed incomplete, the application shall be deemed void."

For this application the sixtieth (60th) day after written notification is August 15, 2014. If this application is not deemed complete by this date, the application will be deemed void.

Agency Rule 0720-10-.03(4) (d) (2) indicates that "Failure of the applicant to meet this deadline will result in the application being considered withdrawn and returned to the contact person. Re-submittal of the application must be accomplished in accordance with Rule 0720-10-.03 and requires an additional filing fee." Please note that supplemental information must be submitted timely for the application to be deemed complete prior to the beginning date of the review cycle which the applicant intends to enter, even if that time is less than the sixty (60) days allowed by the statute. The supplemental information must be submitted with the enclosed affidavit, which shall be executed and notarized; please attach the notarized affidavit to the supplemental information.

Attachment 5.1. Guidelines

Staffing Guidelines

for Hospice Home Care
Teams



June 23, 2014

1:35 pm

1731 King Street ·

Suite 100

Alexandria,

Virginia · 22314

703/837-1500 ·

703/837/1500

fax

www.nhpco.org

STAFFING GUIDELINES FOR HOSPICE HOME CARE TEAMS

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June 23, 2014

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INTRODUCTION

Background

Guidelines for staffing ratios were introduced by NHPCO as part of the Hospice Service Guidelines published in 1994. The Hospice Service Guidelines document was produced by the NHPCO Standards and Accreditation Committee as an effort to reflect industry practice and provide specific operational guidelines and benchmarks that were not incorporated into the Standards of Practice for Hospice Programs. In addition to staffing ratios, the guidelines included sections on admission and discharge policies and practices, levels of care, scope of services, and facility-based services. The staffing ratios section provided ranges for recommended caseload numbers for clinical staff and proved to be a useful and popular tool for hospice administrators and interdisciplinary team members.

The recommended numbers for staffing ratios in the Hospice Service Guidelines were developed when hospice was still in its formative years and data on hospice operations were sparse. At that time hospice service models were more basic and uniform, and the patient population served was quite different from the population served today by hospice programs. As hospice practice evolved and became more complex, the need for an up-to-date process to determine staffing ratios became evident. To meet that need NHPCO and the Standards and Quality Committee undertook the development of these Staffing Guidelines for Hospice Home Care Teams to provide hospices with a method for setting staffing caseloads that better reflects current practice.

No one “best standard” in the literature regarding hospice staffing caseloads currently exists. Around the nation, hospices have evolved in various directions, creating diverse models of care to serve hospice patients and families. The Staffing Guidelines for Hospice Home Care Teams is based on the recognition of the current diverse nature of hospice care and allows for individualization of staffing caseloads according to the organizational and environmental characteristics specific to each hospice, in much the same way hospices individualize patient care.

The Staffing Guidelines for Hospice Home Care Teams utilizes an assessment process to estimate optimal staffing levels for hospice programs that includes an analysis of the model of care delivery, characteristics of the patient population served, environmental considerations, and other circumstances unique to each hospice. However, it is important to keep in mind that **the primary consideration that should be used by a hospice to determine optimal staffing caseloads is the hospice’s ability to meet the needs of patients and families through appropriate use of resources and achieving the quality goals set by the hospice program.**

(For more details on the creation of the Staffing Guidelines for Hospice Home Care Teams see the article titled *NHPCO's New Staffing Guidelines: No Longer a One Size-Fits All Approach* in *NHPCO's Newslines*, March 2011.)

Using the Staffing Guidelines for Hospice Home Care Teams

The purpose of these Guidelines is to help each hospice provider estimate optimal staffing caseloads that conform to their particular situation. The diverse models of hospice care which are driven by variation in patient populations, population density, travel time, and other factors inherent to the uniqueness of each hospice program require an innovative process to determine staffing ratios. The Staffing Guidelines for Hospice Home Care Teams presents a process to analyze these factors so that hospice programs can determine the staffing ratios that are appropriate for their hospice. Through the application of a systematic process grounded in critical thinking, the Guidelines also offers hospices with a mechanism to validate staffing caseload numbers that work best for their specific circumstances.

These guidelines differ from the previously published staffing ratios in that recommended ranges for caseloads are not provided. Instead, using the analysis process delineated in Guidelines, each hospice may determine an ideal caseload number for each discipline, with the understanding that day-to-day variation can be expected due to the changeable and unpredictable nature of hospice operations.

The Staffing Guidelines for Hospice Home Care Teams is divided into the following six sections:

I. Preparation

This section describes the NHPCO National Summary of Hospice Care focusing on specific statistics, along and other hospice operational factors to review before beginning the staffing analysis process. There are four steps to this section:

- Review the National Summary of Hospice Care tables (see Appendix) and compare current staffing caseloads to national statistics
- Review the description and table of Care Model Factors to Consider for Staffing Caseloads
- Review the list of Other Factors To Consider for Staffing Caseloads
- Review examples of completed Worksheets 1 and 2 for three hospice programs.

II. Analysis

The analysis section includes instructions that outline the specific steps to complete the worksheets using statistics and information provided for Care

Delivery Model Factors and the Other Factors. Complete the analysis to determine whether you should consider staffing caseloads that are smaller or larger than national norms, based on how your hospice's organizational characteristics compare to national norms and the how other organizational and environmental factors apply to your hospice.

- Groundwork – assemble your hospice's data and compare your current staffing caseloads to national caseload statistics
- Worksheets in this section to complete the analysis process:
 - Worksheet 1: Factors Associated with Care Delivery Models and
 - Worksheet 2: Other Factors to Consider for Staffing Caseloads

III. Evaluation

This section describes the importance of ongoing evaluation and includes a discussion of the Quality Assessment and Performance Improvement process (QAPI), the Family Evaluation of Hospice Care (FEHC), and other performance measurement tools that can be used in the evaluation process. Action steps for the evaluation process are provided.

IV. Hospice Program Examples

V. Glossary of Terms

VI. Appendix

The Appendix includes the most recent staffing and caseload information from the National Summary of Hospice Care. The Appendix will be updated yearly when the annual National Summary is released.

SECTION I. PREPARATION

No research exists that provides evidence for the optimal staffing caseloads that can be linked to producing quality care. Therefore, the starting point used for the staffing caseloads analysis is a review of the sections of the **National Summary of Hospice Care** that are relevant to staffing, including the median statistics for patient caseloads for the various disciplines.

The National Summary, published annually by NHPCO, presents the two most recent consecutive years for which data are available. The National Summary statistics reflect current practice at the national level and provide a means for comparison to what other hospices are doing. This means that the statistics in the National Summary provide a picture of “what is” rather than ideal or recommended staffing caseload numbers.

NHPCO National Summary of Hospice Care

The National Hospice and Palliative Care Organization’s **National Summary of Hospice Care** contains comprehensive national estimates and statistical trends for the multiple areas of hospice care. The tables from the National Summary that include staffing and caseload information used in the analysis are reproduced in the Appendix. The full National Summary report can be accessed from the [NDS page of the NHPCO website](#).

The primary source of the information presented in the National Summary is data provided by members who participate in NHPCO’s *National Data Set*, a comprehensive annual survey supported by many state hospice organization partners. To produce the National Summary, National Data Set (NDS) data are supplemented by data from NHPCO’s membership database, state-mandated surveys, and the CMS Provider of Services file, as well as Medicare cost data.

It is important to keep in mind that the data presented in the National Summary are descriptive only, are illustrative of what hospices are currently doing, and do not represent “best practice.” In addition, because multiple data sources are utilized and sometimes combined in calculating the statistics presented, the number of hospices contributing data (N in the tables) can differ considerably across and within sections. Consequently, results based on data from a smaller number of hospices may not be as representative as those with a larger N.

- **Staff Management Statistics (Table 14)** The Staff Management table presents the most current patient caseload statistics. These statistics are used as the baseline for adjusting caseload numbers. The median is the more representative and stable statistic. Therefore the median - rather than the mean - is the statistic that should be used for caseload baseline comparison.

Step 1: Review National Summary of Hospice Care tables (See Appendix):

- Staff Management (Table 14)
- Length of Service (Table 7)
- Level of Care (Table 9)
- Paid Staff Distribution (Table 11)
- Turnover (Table 11)

Step 2: Review Factors Associated with National Summary of Hospice Care Statistics and Care Model Characteristics

The analysis includes care delivery model characteristics that have been identified as key factors that should be considered in estimating staffing caseloads. Some of the factors have median, mean/average, or percentage data reported in the National Summary of Hospice Care (e.g., length of service, staff turnover rate). Other factors may either be present or absent (e.g., a hospice either utilizes a dedicated inpatient unit or it does not).

The care model factors were chosen because of their potential influence on staffing caseloads. The Analysis section of the Guidelines delineates the nature of this influence for each factor. In carrying out the analysis, you evaluate the care model characteristics of your hospice compared to the information provided for each factor. Based on this comparison, you may consider adjusting caseloads for staff in the direction (smaller or larger) indicated.

The factors are categorized under three major hospice characteristics including length of stay, staffing model, and organization model. The table below lists the care delivery model factors used in the analysis for determining staffing caseloads.

CARE MODEL FACTORS TO CONSIDER FOR STAFFING CASELOADS

LENGTH OF SERVICE CHARACTERISTICS	STAFFING MODEL CHARACTERISTICS	ORGANIZATION CHARACTERISTICS
Short Length of Service (LOS): % <7 days (Table 7)	Admission Model (See Glossary)	Percent of routine level of care (Table 9)
	On Call Model (SEE GLOSSARY)	Access (Concurrent Care Model)
	RN/LPN Model (SEE GLOSSARY)	Aide/Homemaker utilization (Table 11)
	Shared Team Model (SEE GLOSSARY)	Use of ancillary services (See Glossary)
	Bereavement Model (SEE GLOSSARY)	
	Staff turnover rate (TABLE 11)	

A NOTE ON ACUITY

While it would be ideal to compare caseloads based on level of patient acuity, currently there is no validated instrument in common use by hospices that would allow for such a comparison. Some of the following factors were chosen as surrogates of acuity, such as:

- **HIGHER PERCENTAGE OF SHORT LOS PATIENTS:** A hospice that has a higher percentage of short length of service (LOS) patients, compared to the national average, could be considered to have a patient caseload that has higher than average acuity. Evidence exists indicating that the intensity of services provided in the first and last week or two of service may be higher than in the interim period, and patients who die within one week are generally more resource intensive, with higher acuity than patients who live for longer periods of time.
- **LOWER PERCENTAGE OF ROUTINE HOME CARE PATIENTS:** A hospice that has a lower percentage of routine level of care patients than the national average (and thus a higher percent of patients at a general inpatient level of care or receiving continuous care at a

higher rate) could be considered to have a patient population with a higher than average acuity level.

- **ACCESS (ADMISSION OF PATIENTS RECEIVING DISEASE-MODIFYING THERAPIES):** A hospice that admits patients who are receiving disease-modifying therapies may have a patient population in need of higher intensity of services. For example, if patients remain on disease modifying therapy, they may require close monitoring and intensive treatment for side effects of therapy (e.g. cancer patients on chemotherapy), or have interventions requiring frequent monitoring and increased levels of expertise with invasive technology (e.g., patients on ventilators).

Some of the **Other Factors to Consider for Staffing Caseloads**, discussed below in Step 3, are also surrogate markers for acuity when they impact the entire hospice service area. Examples include:

- Psychosocial issues of high complexity (e.g., a hospice specializing in serving patients with AIDS; a hospice with a high proportion of pediatric patients); and
- Staff safety issues (e.g., a hospice situated in a high crime area)

Step 3: Review the Other Factors to Consider for Staffing Caseloads

Other Factors that are more difficult to quantify may also impact the staffing caseload for one or more disciplines, and should be carefully considered when making adjustments to caseloads. Below is a list of common major factors that may influence caseload estimation. The list is not intended to be all inclusive; individual hospices may encounter other influential factors specific to their situation.

NOTE: the factors are **not** listed in order of importance.

OTHER FACTORS TO CONSIDER FOR STAFFING CASELOADS

1. PATTERN OF UTILIZATION OF CONTINUOUS CARE:

Does your hospice utilize continuous care for patients with complex care needs (e.g., management of uncontrolled symptoms)?

- Some hospices utilize continuous care for patients with complex care needs (e.g., for management of uncontrolled symptoms) more frequently than other hospices and thus may be able to support a higher than median caseload for the interdisciplinary team (IDT). However, this may be mitigated for the home care nurse case manager because of the supervisory responsibilities inherent in provision of continuous care.
- A hospice that relies more on the primary care team, volunteers, or transfer to a general inpatient level of care to meet complex patient/family care needs may find caseloads at or below the median to be optimal.

2. PATTERN OF UTILIZATION OF GENERAL INPATIENT (GIP) LEVEL OF CARE:

Does your hospice have a dedicated inpatient unit(s) that can be readily accessed for GIP level of care for patients with complex symptom management?

- Hospices with dedicated inpatient units, which are easily accessible to patients and families, may utilize transfer to a GIP level of care for patients with complex symptom management needs more frequently. This shift of more high intensity patients to units staffed by hospice personnel, rather than having complex care provided at home, may enable utilization of a caseload above the median for the home nurse case manager.

Does your hospice rely on contract beds for GIP?

- Hospices that rely solely on contract beds for GIP may find that a lower than median caseload for homecare nurse case managers and social workers is appropriate due to increased intensity and frequency of visits and care coordination.
- Lower than median caseload for the IDT members may be appropriate if the hospice is in a region with less convenient access to GIP and consequently must manage complex patients in the home setting.
- The degree of utilization of the GIP level of care (number of GIP days) may also be a consideration, with higher GIP utilization indicating lower caseload numbers.

3. MULTIPLE ROLES FOR THE IDT:

Do IDT members routinely function in multiple roles in addition to being core team members?

- Lower than median caseload may be appropriate for those IDT members who have additional roles such as teaching/mentoring other staff or health professionals in training or involvement in research activities.

4. FACILITY-BASED VARIABLES (ROUTINE HOME CARE):

Does your hospice have a high percentage of patients who reside in a facility? Are your facility based patients spread out in multiple facilities? Do you have a dedicated facility-based home care team?

- Hospices with a high percentage of patients who reside in a facility, that do not have a dedicated facility-based homecare team†, or who have patients spread out in multiple facilities, may need a lower than median caseload for the IDT members.
- Hospices with a concentration of patients in one facility and/or that have dedicated facility-based homecare teams may be able to utilize a higher than median caseload. However, also take into consideration that maintenance of a good relationship with a facility requires constant effort to communicate collaboratively, ongoing education for facility staff (which generally have a high turnover rate), and additional time and effort to communicate with families who may not be present during hospice staff visits to patients.
- A greater time commitment on the part of the hospice core interdisciplinary may be required to assure regulatory requirements for hospice care in skilled nursing facilities is met. Consequently, hospices with a high concentration of patients in skilled nursing facilities may need to utilize a lower than median caseload.

5. PRIMARY CARE TEAM MODEL†:

What does your hospices Primary Care Team Model look like?

- Some hospices utilize staff other than the primary nurse to handle patient calls during routine business hours and problem solve over the phone before referring calls to the primary nurse. If staff other than the primary nurse handle patient calls during routine business hours before referring calls to the primary nurse, the nurse case manager may be able to support a higher than median caseload.
- If office-based staff are utilized other than the primary IDT to triage patient calls during routine business hours, all IDT staff may be able to carry higher than median caseloads.

6. PROVISION OF COMMUNITY SERVICES:

What are the expectations for IDT staff in provision of community outreach service?

- Less than median caseloads for IDT members, such as social workers and chaplains, may be appropriate if core IDT members routinely provide services to the community such as crisis outreach and bereavement services to non-hospice individuals.

7. PSYCHOSOCIAL ISSUES:

Does your hospice have a high proportion of patients and families with complex psychosocial issues? Or a high proportion of patients who live alone?

- Hospices with a high proportion of patients and families with complex psychosocial issues (e.g., hospices specializing in serving patients with AIDS), or a high proportion of patients who live alone, may consider utilization of lower than median caseloads for IDT members.

8. RATE OF GROWTH

Is your hospice growing rapidly?

- Lower than median caseload for the IDT members may be needed to maintain provision of quality care and manage the additional patients and multiple admissions that occur during growth spurts.

9. SPECIALTY PROGRAMS:

Does your hospice utilize disease, condition, or treatment specific programs?

- Hospices that utilize specialty/ disease specific programs may be able to support a higher than median caseload for some staff, if teams providing specialty care relieve other core staff from providing direct care to the specialty patient population.
- A lower than median caseload for staff providing care in the specialty/disease specific program may be appropriate, if intensity of services or monitoring is increased.
- Hospices that utilize dedicated staff to manage specific aspects of a patient's illness (for instance, pressure ulcers managed by a clinical nurse specialist in wound care, or intravenous therapy managed by an intravenous therapy nurse specialist) may be able to have homecare nurse case-managers carry a higher than median caseload.

10. SPIRITUAL CARE SUPPORT MODEL:**What does your spiritual care support model look like?**

- A higher than median caseload for hospice chaplains may be appropriate for hospices that routinely utilize community clergy to provide direct services to most patients. However, this may be mitigated by the greater outreach and education efforts hospice chaplains may need to employ in this circumstance.
- A lower than median caseload for chaplains may be appropriate for hospices whose chaplains are routinely heavily involved in providing or participating in funeral and memorial services for their patients who have died.

11. STAFF SAFETY ISSUES:**Does your hospice provide services in high crime areas?**

- Hospices that provide services in high crime areas may need to utilize a lower than median caseload for their IDT members, because IDT members may need to do joint visits for safety reasons which results in less efficient use of staff time.

12. TRAVEL TIME ISSUES:**How much travel is involved for your IDT members?**

- Hospices may need to utilize lower than median caseloads for the IDT members if an inordinately long time is necessary for between-visit travel.
- Travel time may be lengthened for a number of reasons such as high absolute square mileage of service area per team, traffic congestion in urban/suburban areas, etc.
- Travel time is a particularly important factor for determining caseloads for "frontier" hospice providers, because hours may be required between visits for travel.

13. VOLUNTEER UTILIZATION:**How are your volunteers used?**

- A higher than median caseload may be appropriate for hospices that effectively use well-trained patient volunteers.
- However, the time needed for close supervision and support of the volunteers may offset advantages of volunteer use to some degree.

† See Section V, Glossary of Term

SECTION II: ANALYSIS PROCESS

The purpose of this section is to help each hospice provider estimate the optimal staffing caseload for their program based on an analysis of their care delivery model and other factors specific to their situation. Once the staffing caseload has been estimated using the worksheets provided, an individual hospice can evaluate whether or not these caseloads effectively produce the outcomes and results that the hospice desires.

Analysis Instructions

GROUNDWORK

STEP 1: Assemble your hospice's data including:

- staffing caseloads
- average length of service (LOS)
- staff turnover rate
- percent routine level of care (LOC)
- percent of hospice aides FTE's (compared to total clinical staff FTE's)

STEP 2: Compare your current staffing caseloads to national caseload statistics.

- Locate the NHPCO **National Summary of Hospice Care**, Table 14: Staff Management (see Appendix).
- Compare your current discipline-specific staffing caseloads to the median† statistics for caseloads reported in the *Staff Management* table.
- How do the caseloads you are currently using compare to the median statistics for caseloads in the table? Note whether your hospice's caseloads are the same or how far above or below the national median statistics for each discipline.

STEP 3: Review symbols in the key below which are utilized in the analysis to indicate direction of possible adjustment of staffing caseloads.

- **[+]** Indicates the possible ability to sustain higher than median caseload
- **[-]** Indicates the possible need to assign lower than median caseloads
- **[=]** Indicates neutral impact of factor on caseload, so likely ability approximates median
- **[+/-]** Indicates directionality may be in either direction for a particular factor
- **[?]** Indicates unknown impact of factor on caseloads

STEP 4: Review the hospice program examples.

Section IV includes completed worksheets and analysis summaries for three sample hospices. Reviewing these examples prior to beginning your own analysis will reinforce your understanding of the analysis process and expedite completion of the worksheets.

ANALYSIS

STEP 1: Begin the analysis using **Worksheet 1** by locating the column labeled **"FACTOR"** in the worksheet. (Column 1)

STEP 2: Locate the comparative data from the National Summary of Hospice Care for the relevant factors (see Appendix):

- LOS (Table 7)
- staff turnover rate (Table 11)
- percent of routine level of care (Table 9)
- percent hospice aide FTE's (Table 11)

STEP 3: Utilizing the (+) or (-) or (=) symbols as described in the key, for each factor listed:

- Compare your hospice's data with the comparable statistic in the National Summary of Hospice Care table or factor description
- Decide whether your hospice would fit in the category: **Consider smaller caseload than NDS Median [-]** (second column in the worksheet); or **Consider larger caseload than NDS Median [+]** (third column in the worksheet).
- Fill in appropriate symbol [(+) or (-) or (=)] in the column marked **"OUR HOSPICE"** (fourth column on the worksheet).
- If there are any extenuating circumstances or clarifications that help explain the reasoning behind your choice for any factor, write them in the fifth column, marked **"COMMENTS."**

STEP 4: Proceed to **Worksheet 2**.

STEP 5: Locate the list titled **OTHER FACTORS TO CONSIDER FOR STAFFING CASELOADS** in Section I, page 10.

STEP 6: Using the descriptions provided for each factor, determine in which direction these factors may influence your caseloads based on how the factors apply to your hospice.

- Mark the estimated caseload direction [+] or [-] in column 2 “**OUR HOSPICE**” for each factor in the **OTHER FACTORS** list.
- Fill in any clarifying explanations in column 3 “**COMMENTS**” for each factor.

STEP 7: Estimate staffing caseloads.

- Review entries for each factor from **Worksheets 1 and 2**.
- Tally the number of [+] and [-] symbols in the “**OUR HOSPICE**” columns. How many factors fall in the [+] category (consider larger than NDS median caseload) versus the [-] category (consider smaller than NDS median caseload)?
- Where does the preponderance of factors lie for your hospice? [+] or [-]? Did you analysis yield more [+] or [-] symbols?

STEP 8: Evaluate the results of the analysis.

- Locate the comparison of your current staffing caseloads to the median statistics for caseloads reported in the Staff Management Table that you performed in Step 3 of Preparation.
- Are the results of this comparison consistent with the [+] [-] results of the analysis?
 - If yes, and your performance measure scores related to staffing are satisfactory, then your current staffing caseloads are probably appropriate
 - If not, give consideration to the reason(s) the two results are different. Can the difference be attributed to one or more factors that are especially important to your situation? Or, perhaps your hospice would be better served by a model with a staffing caseload in the direction of the preponderance of factors.

NOTE: There are currently no data upon which to base a relative weighting of the impact of each factor on staffing requirements.

The plus/minus rating system treat all factors as though they have the same level of importance for all hospices. However, not all factors will have the same level of importance for all hospices. Each hospice will need to assess whether a particular factor is especially important for their specific situation. For example, a frontier hospice routinely requires between-visit travel times of longer than an hour and may want to weight travel time more heavily than the other factors after tallying the pluses and minuses in the analysis.

† See Section V, Glossary of Terms

Worksheet 1

Factors Associated with Care Model

FACTOR	Consider smaller caseload than NDS Median [-]	Consider larger caseload than NDS Median [+]	OUR HOSPICE	COMMENTS
Length of Stay				
Short Length of Service (LOS) (%) Discharges 1-7 days [Table 7]*	Percent (%) is Above mean [-]	Percent (%) is Below mean [+]		
Staffing Model				
Admission Model	Does not use admission specialist [-]	Uses admission specialist [+]		
On Call Model	Does not use dedicated on call staff [-]	Uses dedicated on call staff [+]		
RN/LPN Model	Not in use [-]	In use [+] (for the RN case manager only)		
Shared Team Model	Not in use [-]	In use [+] (for RN case manager only)		
Bereavement Model	IDT performs bereavement [-]	Dedicated bereavement staff [+]		

Staff turnover rate [Table 11]*	Above mean percent [-]	Below mean percent [+]		
Organizational Model				
	Percent of routine level of care [Table 9]*	Above average % [+]		
Access	Below average % [-]			
	Disease-modifying therapy included as a covered service in the hospice plan of care (i.e., chemo/XRT) [-]	Disease-modifying therapy not included as a covered service in the hospice plan of care [+]		
Aide/Homemaker delivery model [Table 11]*	Home Health Aide distribution of home hospice FTE below mean percent [-]	Home Health Aide distribution of home hospice FTE above mean percent [+]		
Use of ancillary therapy e.g. art, massage, music, PT/OT	Not emphasized [-]	Actively encouraged [+]		

* See Appendix.

Worksheet 2

Other Factors to Consider for Staffing Caseloads

(Refer to narrative descriptions of OTHER FACTORS in Section I, Page 10)

FACTOR	OUR HOSPICE	COMMENTS
GIP and Continuous Care variables		
Multiple non-core roles for IDT		
Facility-based variables (routine home care)		
Primary Care Team Model		
Provision of community services		
Psychosocial Issues: high social complexity		130
Rate of growth		
Specialty programs		
Spiritual Care Support Model		
Travel Time: increased		
Volunteer Utilization		
Staff-safety: require multiple staff or escorts/visits		
Other		

SUPPLEMENTAL #1

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Summary of Analysis

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SECTION III: EVALUATION PROCESS

Examining the major factors that affect staffing caseloads is only the initial stage in setting staffing caseloads. Any staffing matrix that is implemented must then be evaluated on an ongoing basis to ensure that the needs of patients and families are met, that staff are able to perform at an optimal level, and that quality outcomes are achieved.

The Quality Assessment and Performance Improvement (QAPI) process should be used to identify challenges which may be related to staffing caseloads, to plan an intervention (e.g., change in staffing caseload for a particular discipline), to implement the intervention, to evaluate the impact of the change, and, if the change has had a favorable impact, to institute the intervention as standard practice and monitor periodically to assure that quality gains have been maintained.

It is recommended that hospices routinely compare their performance using appropriate performance measurement tools such as those described below, to determine if scores related to meeting patient/family needs are maintained or improve after making changes in staffing caseloads.

- **Staff Satisfaction:** To validate that the caseloads implemented do not cause undue stress on homecare staff, the hospice may consider monitoring and comparing **staff turnover** rates for any adverse changes, or compare its **STAR** survey results (or other nationally known and used measure of staff satisfaction) to assure favorable scores in relation to national scores for select items. The STAR is the first systematically developed job satisfaction measure reflecting the unique needs and work environment of hospice care delivery. The STAR covers multiple staff satisfaction domains and has several questions relating to workload, such as #29: "I have a manageable workload." A hospice's scores on STAR pre and post changes in staffing caseloads may serve as an indicator of the impact of a change in caseload on staff. Information about the STAR survey and implementation is available at www.nhpco.org/STAR.
- **Quality Partners Self-Assessment:** Hospices may find items in the NHPCO Quality Partners Self-Assessment (SAS) that could be useful in monitoring the impact of changes on staffing caseloads. For example, the description for Standard PFC7.1 states "The interdisciplinary team members provide services according to the scope and frequency identified in the Plan of Care." The ability to substantially meet this indicator may depend, in part, on staffing caseloads for the members of the interdisciplinary team. Information on the Self-Assessment is available at www.nhpco.org/Quality.
- **Family Evaluation of Hospice Care (FEHC) Survey:** Although satisfaction with care is influenced by a multitude of factors, if a hospice desires to institute a change in staffing caseloads for one or more disciplines, monitoring possible effects of the change on the quality of care by tracking the results of specific questions on the Family Evaluation of Hospice Care (FEHC) survey might prove useful. For example, if Social Worker staffing caseloads are changed, the hospice can monitor changes in scores on

question B10 on the FEHC survey, which asks if the patient got the right amount of help in dealing with feelings of anxiety and sadness. FEHC survey question scores that may possibly be influenced by changing staffing caseloads for one or more disciplines include:

- weekend and evening responsiveness to needs
- the amount of contact related to spiritual support
- the amount of contact related to emotional support
- the degree of symptom control (pain, difficulty breathing, anxiety)
- how well personal care needs (bathing, etc.) are attended to

The FEHC survey and information on administration and reporting for FEHC is available at www.nhpcor.org/FEHC.

Action Steps for Evaluation Process

- Utilize the QAPI process to evaluate the effectiveness of staffing changes undertaken following the completion of a Staffing Guidelines analysis.
 - What was the impact of the change on measures of patient outcomes, patient and family satisfaction, &/or staff satisfaction?
 - What was the impact on program efficiency and cost-effectiveness?
- Repeat your Staffing Guidelines analysis at an appropriate interval after instituting caseload changes, and continuously monitor your hospice's comparative performance on performance measurement tools such as the FEHC and the STAR, as well as using your other program quality measures to assure continued high quality patient care and high levels of staff performance and well-being.

SECTION IV: HOSPICE PROGRAM EXAMPLES: HOSPICE HOMECARE STAFFING GUIDELINES ANALYSIS FOR HOSPICES A, B, & C**KEY**

- [+]** Indicates the possible ability to sustain higher than median caseload
- [-]** Indicates the possible need to assign lower than median caseloads
- [=]** Indicates neutral impact of factor on caseload, so likely ability approximates median
- [+/-]** Indicates directionality may be in either direction for a particular factor
- [?]** Indicates unknown impact of factor on caseloads

Care Model Factors to Consider for Staffing Caseloads

FACTOR		Consider smaller caseload than NDS median [-]	Consider larger caseload than NDS median [+]	Hospice A Census: 0-50 ADC In start-up phase	Hospice B Census: >100 Shared-team model	Hospice C Census: >500 ADC Established hospice
Length of Stay Characteristics						
Short Length of Service (% Discharges 1-7 days) [Table 7]*		Above mean % [-]	Below mean % [+]	5% above mean [-]	Above mean [-]	6% below mean [+]
Staffing Model Characteristics						
Admission Model		Does not use admission specialist [-]	Uses admission specialist [+]	Does not use admission specialists [-]	Uses admission specialists [+]	Uses admission specialists [+]
On Call Model		Does not use dedicated on call staff [-]	Uses dedicated on call staff [+]	Does not use dedicated on-call staff [-]	Uses dedicated on-call staff [+]	Uses dedicated on-call staff [+]
RN/LPN Model		Not in use [-]	In use [+] (for the RN case manager)	Not in use. LPN's used for cont. care [-/+]	Not in use. LPN's for cont. care [-/+]	1 LPN per 4 RN's [+]
Shared Team Model		Not in use [-]	In use [+] (for RN)	Not in use [-]	In use, RN carries higher caseload [+], SW & chaplain carries lower caseload [-]	Not in use [-]

SUPPLEMENTAL #1

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Staffing Guidelines for Hospice Home Care Teams

Bereavement Model	IDT performs bereavement [-]	Dedicated bereavement staff [+] (for core IDT members other than bereavement)	Dedicated bereavement staff [+]	Dedicated bereavement staff [+]	Dedicated bereavement staff [+]
Staff turnover rate [Table 11]*	Above mean % [-]	Below mean % [+]	Below mean [+]	Below mean [+]	Below mean [+]
Organization Characteristics					
Percent of routine level of care [Table 9]*	Below average % [-]	Above average % [+]	Above average [+] 98%	Below average [-] 94%	Above average [+] 97%
Access	Disease-modifying therapy included as a covered service in the hospice plan of care (i.e., chemo/XRT) [-]	Disease-modifying therapy not included as a covered service in the hospice plan of care [+]	Covers disease-modifying therapy [-]	Covers disease-modifying therapy, has palliative home care program, & palliative consults [-/+]	Covers disease-modifying therapy on a case-by-case basis [-] 36
Aide/Homemaker delivery model [Table 11]*	Home Health Aide distribution of home hospice FTE below mean % [-]	Home Health Aide distribution of home hospice FTE above mean % [+]	8 % above mean [+]	2 % above mean [+]	10% above mean [+]
Use of ancillary therapy, e.g. art, massage, music, PT/OT	Not emphasized [-]	Actively encouraged [+]	Encourages use of PT/OT/massage, music therapy [+]	Strong Complementary therapy program [+]	Not emphasized [-]

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Other Factors to Consider for Homecare Staffing Caseloads

FACTOR	Hospice A	Hospice B	Hospice C
Utilization of GIP and Continuous Care	16 bed GIP unit/ readily available NH beds. Routinely uses continuous care, has dedicated team [+]	Readily available contracted beds Routinely uses continuous care [+]	10 bed GIP unit/readily available contracted beds. Uses continuous care off and on [+]
Multiple non-core roles for IDT	Have dedicated staff preceptors. IDT available for shadowing during training [+]	IDT available for shadowing during training. No internships from outside agencies yet. [=]	Dedicated staff preceptors. IDT available for shadowing during training. [+]
Facility-based variables (routine home care)	22% NH census (= median). No separate NH team. [=]	18% NH census (<mean). No separate NH team [-]?	34% NH census (>mean). No separate NH team. [-]? (depends on if concentrated in few facilities or scattered through many facilities) 137
Primary Care Team Model	Utilizes middle managers to triage calls during routine work hours [+]	Primary RN's triage calls during routine work hours [-]	Utilizes SW & SCC in shared team model to triage calls during routine work hours [+] (for nursing)
Provision of community services	Dedicated bereavement staff [+]	Dedicated bereavement staff [+]	Dedicated bereavement staff [+]
Psychosocial Issues: high social complexity	Not felt to be an issue [=]	Not felt to be an issue [=]	Not felt to be an issue [=]
Rate of growth	3% last year (felt to be manageable) [=]	Just developing. [-]?	12% last year (felt to be manageable) [=]
Specialty programs	No specialty disease programs [=]	None as of yet [=]	Cardiac hospice program, developing pulmonary hospice program. Separate palliative home health care team. [+]

SUPPLEMENTAL #1

June 23, 2014
1:35 pm

Spiritual Care Support Model	Some community clergy involvement. Some provision of funerals and memorials by hospice chaplains. [+/-]	Some community clergy involvement. Some provision of funerals and memorials by hospice chaplains. [+/-]	Some community clergy involvement. Some provision of funerals and memorials by hospice chaplains. [+/-]
Staff safety: require multiple staff or escorts/visit	Minimal safety issues [=]	Minimal safety issues [=]	Minimal safety issues [=]
Travel time: increased	Not an issue [=]	Some rural areas, increased travel time [-]	Some rural areas, increased travel time urban areas [-]
Volunteer utilization	Effectively use volunteers. 6-7% of staff hrs. [+]	22% volunteer y-t-d. Starting a volunteer vigil program [+]	5.1% volunteer vigil program [+]?

* Appendix *National Summary of Hospice Care Tables.*

Hospice A - Census: 0-50 ADC**RN: 10-12 [=]; SW: 30 [=]; Chaplain: 40 [-]; Aide: 10 [=]**

- Hospice A is in the start-up phase, and IDT staff do tasks such as on-call and admissions that are done by dedicated staff in other hospices and has an above mean % of short LOS patients (i.e., patients have a shorter LOS).
- This would seem to indicate that hospice A should support less than the median caseload. However, Hospice A also encourages the use of ancillary services such as PT/OT, massage and music therapy, which might lean in the direction of supporting a caseload greater than the median.
- In addition, LPN's are available for continuous care, which helps the nurse case manager manage a caseload with shorter stay patients and turnover.
- Hospice A decides on a median caseload for its primary care nurse, SW and Aide staff. Chaplain caseload is slightly below the median due to low census, but shorter length of stay patients require more frequency of visits for SCC and SW. The Chaplain caseload is expected to increase with increasing census to ~50 (with the expectation that not all patients/families desire visits from the hospice chaplain).

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Hospice B - Census: >100**RN: 18-22 [↑]; SW: 18 [↓]; Chaplain: 36 [=]; Aide: 18 [↑]**

- Hospice B has a unique model of care delivery, the shared team model.
- Although the nursing caseload is 50% or higher than the national median, the SW caseload is 50% less than the national median.
- In addition, Hospice B has many characteristics that would predict the ability for nursing staff to maintain a higher than median caseload with dedicated services for admission and on-call, and availability of complementary services. The social worker and chaplain take routine calls during working hours, freeing the primary RN to perform patient care.
- The impact of admitting patients on disease-modifying therapy on staffing requirements may be mitigated by the availability of a palliative home care program and palliative consult services.

June 23, 2014
11:55 pm

Hospice C - Census: >500 ADC

RN: 15-18 [↑]; SW: 25-27 [=]; Chaplain: 60-70 [↑↑]; Aide: 12-14

- Given that Hospice C has a large number of factors associated with the probable ability to sustain a nursing caseload above the median, Hospice C decides on a caseload for its primary nurse case managers of 15-18/RN. The SW caseload is at the median. Home Health Aide is above the median, however, continuous care teams help reduce intensity for aides.
- Staff turnover is below the mean.
- Chaplain potential caseload is twice the median. However, chaplains are not actively visiting all patients. Hospice C decides to analyze the adequacy of its chaplaincy services in more depth to assure spiritual needs of patients and families are being met.

SUMMARY

Analyzing factors that affect staffing caseloads only provides a starting point for planning. Any staffing matrix that is implemented must then be evaluated in an ongoing fashion to be sure the needs of patients and families are met and that staff are able to perform at an optimal level.

To validate that these caseloads allow staff to meet the needs of the patient population served each hospice should routinely examine their performance on performance measurement tools, and monitor changes in scores that may be attributed to changes in staffing caseloads.

To validate that these caseloads do not cause undue stress on caregiving staff, Hospice A, B and C could continue to monitor and compare staff turnover rates for any adverse changes, and scrutinize items on staff satisfaction instruments such as the STAR that may be impacted by changes in staffing caseloads before and after initiating the staffing caseload changes.

If any of the above indicates less than optimal outcomes for one or more of the hospices, that hospice should consider engaging in a QAPI process for determining staffing caseloads that best meet the needs of patients and families, while allowing staff to operate at peak levels.

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SUPPLEMENTAL #1

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1:35 pm

SECTION V. GLOSSARY OF TERMS

Ancillary Therapy (or Allied Therapy): Services provided by health professionals who are not usually a part of the core interdisciplinary team. This includes therapies mandated to be available to patients and families by Medicare, such as physical, occupational, and speech therapy, as well as therapies that are not mandated, such as music therapy, massage therapy, art therapy, therapeutic touch, yoga, etc. The therapists may be available by contract, or may be employees of the hospice. The extent to which these therapies are employed by the hospice is determined by both patient/family need, as well as philosophy of care of the individual hospice. If the hospice encourages high utilization of ancillary therapies, the core team may be able to carry a higher caseload, since the patient's/family's needs are being met by multiple disciplines other than the core team.

Caseload:

- **Mean Caseload:** The mathematical average when combining caseloads reported by all hospices and dividing by the number of hospices. The mean is also known as the average. (This value can be skewed by a small # of outliers.)
- **Median Caseload:** The middle caseload, above and below which lie an equal # of caseloads listed by the various hospices.
- **25th Percentile:** the caseload at which $\frac{1}{4}$ of hospices have a caseload less than this # ($\frac{3}{4}$ have a caseload higher).
- **75th Percentile:** The caseload at which $\frac{1}{4}$ of hospices have a caseload higher than this # ($\frac{3}{4}$ have a caseload lower).

Facility-Based Homecare Team: Dedicated home care interdisciplinary team that serves patients residing in facilities such as skilled nursing facilities, assisted living facilities, residential facilities, group homes, etc.

Staffing Model: The various ways that the work of hospice can be divided among core and specialty teams, e.g.:

- **Admission Model:** Many hospices have found that designating a separate interdisciplinary team that may consist of at least an RN, and possibly other disciplines, to perform the admission assessment is less disruptive to the core interdisciplinary team workflow, and improves access by making admissions more timely for patients and families. Some hospices even utilize non-clinical staff to guide the patient and family through the admission paperwork process.
- **On-Call Model:** Many hospices have hired dedicated health professional staff, at a minimum, nursing staff, other than the assigned core interdisciplinary team to respond to patient and family needs after business hours and on weekends. Dedicated on-call services can be configured differently, with some utilizing separate **Phone Triage** staff to field patient and family telephone calls, problem solve telephonically, and deploy **field on-call nurses** to visit the home as needed for problems that cannot be solved over the phone. Other hospices will use the on-call nurse to both do telephone triage and visits. Some hospices have interdisciplinary members of the core interdisciplinary team "take call" during nights and weekends on a rotating basis. Nurses are usually more heavily impacted during after-hours

on call than other members of the interdisciplinary team. The ratio of on-call staff to numbers of hospice patients covered will impact work intensity. Day-time duties of core staff who take call will need to be adjusted to accommodate the increased demands of being on-call.

- **RN/LPN Model:** Some hospices use a model of nursing care where patient home visits as specified on the plan of care are shared between the RN Case Manager and an LPN who is partnered with him/her. The LPN may be assigned to more than one RN Case Manager. The LPN performs nursing visits to patients, as determined by the RN Case Manager. Since the RN Case Manager shares the patient visits with the LPN, the RN Case Manager may be able to carry a larger caseload than he/she would if the patient visits were not shared.
- **Shared Team Model:** Some hospices designate other non-nurse members of the core interdisciplinary team to triage patient/family calls during business hours, thus lightening the call load for the nurse case manager. With fewer distractions due to interrupting calls, the nurse case manager may be able to complete home visits more efficiently than if he/she were constantly being interrupted during patient visits to answer calls from other patients and families. Some hospices actually use nurse managers who are not in the field to answer patient and family calls during the day, and problem solve telephonically in much the same way the after-hours on call triage nurse would.
- **Bereavement Team Model:** Many hospices have dedicated bereavement teams consisting of professionals and volunteers to do bereavement follow up for families whose loved ones have died in the program. If the primary home care team does not have to do formal bereavement follow up, this is less disruptive to their work caring for patients who are still alive.
- **Spiritual Care Support Model:** Hospices differ in the way in which they meet the spiritual needs of patients and families. Some hospices expect the core team chaplain/spiritual counselor to visit all patients on the team, unless chaplain services are specifically declined. Some hospices arrange chaplain/spiritual counselor visitation at the specific request of the patient and family. Other hospices rely on the patient's faith community to provide primary spiritual care with support and guidance from the hospice core team chaplain. The characteristics of how spiritual support is provided to patients and families will impact the caseload of the hospice chaplain/spiritual counselor.
- **Specialty Teams:** Some hospices have formed interdisciplinary teams around specific conditions in order to meet the unique patient/family needs of a specific population. For instance, some hospices have designated specific interdisciplinary teams to care for dementia patients, or patients with end-stage cardiac disease, or end-stage pulmonary disease. The members of the team often have additional competencies related to that disease category in addition to competencies related to hospice and palliative care. The intensity of the care needs of the patients in a specific disease category and the types of therapy, including potentially disease-modifying therapy, will impact the optimal staffing caseloads for these team members. In addition to specialty teams formed around specific diagnoses, some hospices have staff with extra competency in certain care areas, such as a nurse specialist in wound/ostomy care, or a specialist in placing and managing intravenous therapy.

APPENDIX

The following tables are taken from the **NHPCO 2011 National Summary of Hospice Care**. For the complete National Summary of Hospice Care report, go to www.nhpco.org/nds.

TABLE 7. LENGTH OF SERVICE

	Agency Mean	Percentile			N
		25th	50th (median)	75th	
Average LOS	69.1	53.0	65.0	81.9	686
Median LOS	19.1	12.0	16.0	22.0	664
% Discharges w/ LOS 1 to 7 days	35.8%				266

TABLE 9. LEVEL OF CARE

Level of Care	Percent of Patient	
	Days	N
Routine Homecare	97.1%	880
General Inpatient care	2.2%	828
Continuous Care	0.4%	857
Respite care	0.3%	870

TABLE 11. PAID STAFF DISTRIBUTION AND TURNOVER

Distribution of Home Hospice FTEs	Agency Mean	N
Clinical (direct patient care)	66.3%	360
Nursing	30.2%	356
Nurse Practitioner	0.6%	306
Hospice Aide	18.8%	356
Social Services	8.7%	356
Physician (excluding volunteers)	2.9%	346
Chaplain	4.3%	328
Other Clinical	1.9%	328
Nursing (indirect clinical)	7.2%	354
Non-Clinical (administrative/general)	21.8%	357
Volunteer Coordinator	3.6%	135
Bereavement	4.4%	344
Turnover rate for all staff	23.6%	375

TABLE 14. STAFF MANAGEMENT

Patient Caseload	Agency Mean	Percentile			N
		25th	50th (median)	75th	
Nurse Case Manager	11.4	10.0	12.0	13.0	472
Social Services	25.9	20.0	25.0	32.0	472
Hospice Aide	11.1	7.0	10.0	14.0	456
Chaplain	37.7	25.0	36.0	50.0	448
Volunteer Coordinator	52.4	18.0	35.0	80.0	331
Medical Director	48.2	14.0	35.0	75.0	293

June 23, 2014

1:35 pm

ACKNOWLEDGEMENTS

The National Hospice and Palliative Care Organization gratefully acknowledges the commitment, time, and effort of the Quality and Standards Committee, under the leadership of Kavin Cartmell, and especially the Staffing Guidelines Task Group for their invaluable contribution to the *Staffing Guidelines for Hospice Home Care Teams*. We also extend our gratitude to the NHPCO staff who worked on this project, Lin Simon, PhD, RN, and the many hospice providers whose constructive criticism and expertise enhanced this work.

Quality and Standards Committee Task Group

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Director of Clinical Services
Gilchrist Hospice Care

Tara L. Brodbeck, MS, RN, CHPN
Chair
President
Hospice of the Miami Valley

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Hospice & Palliative Care Charlotte Region

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National Hospice and Palliative Care Organization

Staffing Guidelines for Hospice Home Care Teams

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9. Section C, Need, Item 6

Attachment 2015 and 2016

Additional Projected Data Chart

SUPPLEMENTAL-#2 -Copy-

Life House Hospice

CN1406-023

June 27, 2014**8:18 am**

June 26, 2014

Phillip Earhart

HSDA

RE: Certificate of Need Application CN1406-023
Life House Hospice, Inc.

Dear Mr. Earhart ,

This will acknowledge my June 26, 2014 receipt of your supplemental request 2 for a Certificate of Need for the establishment of a Home Care organization to provide hospice services in Putnam County. The Hospice Agency will be located at Life House Hospice located at 570 State Street, Cookeville (Putnam County), TN 38501.

Please accept the following as my responses.

1. Section C, Need, Item 1a. (Service Specific Criteria-Hospice Services)

The applicant states the heading "please note" on the bottom of page 15 of the application should be disregarded. Please submit a revised replacement page with the revision.

Response: See attachment 1

What does the acronym GIP represent?

Response: "General Inpatient" level of care.

Please address the following hospice criterion:

HOSPICE SERVICES**DEFINITIONS**

14. "Service Area" shall mean the county or contiguous counties represented on an application as the area in which an applicant intends to provide Hospice Services and/or in which the majority of its service recipients reside. Only counties with a Hospice Penetration Rate that is less than 80 percent of the Statewide Median Hospice Penetration Rate may be included in a proposed Service Area.

15. "Statewide Median Hospice Penetration Rate" shall mean the number equal to the Hospice Penetration Rate (as described below) for the median county in Tennessee.

The applicant references an exception to the hospice formula in the Guidelines for Growth 2000 Edition. Please acknowledge the Guidelines for Growth has been replaced by the State Health Plan Certificate of Need Standards and Criteria for Residential Hospice Services and Hospice Services effective May 23, 2013 and do not apply to this application.

Response: The Guidelines for Growth 2000 Edition,

HOSPICE SERVICES**DEFINITIONS**

14. "Service Area" shall mean the county or contiguous counties represented on an application as the area in which an applicant intends to provide Hospice Services and/or in which the majority of its service recipients reside. Only counties with a Hospice Penetration Rate that is less than 80 percent of the Statewide Median Hospice Penetration Rate may be included in a proposed Service Area.

15. "Statewide Median Hospice Penetration Rate" shall mean the number equal to the Hospice

Penetration Rate (as described below) for the median county in Tennessee.

June 27, 2014

have been replaced by the State Health Plan Certificate of Need Standards and Criteria for Residential Hospice Services and Hospice Services effective May 23, 2013 and do not apply to this application.

2. Section C, Need, Item 6

The chart of the annual utilization for each of the two (2) years following completion of the project is noted. However, the patient days do not match both the Projected Data Charts submitted for Year One and Year Two. Please clarify.

Response: Table 1

Year	Admissions	Patient Days	Average Daily Census	Average Length of Stay
YR 1 2014	12	720	2	60
YR 2215	24	1440	4	60

3. Section C, Economic Feasibility, Item 2 (Funding)

The applicant states the proposed project will be funded with existing funds. Please provide appropriate documentation from the Chief Financial Officer. In addition, please revise and resubmit page 22 noting the proposed project will be funded through cash reserves rather than a commercial loan.

Response: Please see attached letter and revises page 22 attached.

4. Section C, Economic Feasibility, Item 4 (Projected Data Chart)

The applicant has submitted two different Projected Data Charts with this application. Please clarify which Projected Data Chart is correct. If the Projected Data Chart located in the attachment is correct, please revise all other financial calculations in the application with the revised calculations and resubmit. For example the following areas will need to be revised:

5. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge.

9. Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid, and medically indigent patients will be served by the project. In addition, report the estimated dollar amount of revenue and percentage of total project revenue anticipated from each of TennCare, Medicare, or other state and federal sources for the proposal's first year of operation.

The proceeds from the non-profit Friends of Life House for indigent care as mentioned on page 6 of supplemental 1 should be included in the Projected Data Chart under gross revenue, "other". Please revise.

Response: is the correct Projected Data Chart

June 27, 2014**8:18 am****5. Section C, Economic Feasibility, Item 8**

The payor chart for the proposed hospice is noted. However, the figures in the chart do not match the Projected Data Chart gross revenues. Please revise.

Payor	Full year one Gross Revenues 2014	% of Total Revenues
Medicare	157920	99%
Medicaid/TennCare	0	0
Commercial insurance	0	0
Self-Pay	0	0
Charity	1500	1%
Total		100%

Thank you,

Connie Mitchell

Connie Mitchell, President

Attachment 1

Section C, Need, Item 1a. (Service Specific Criteria-Hospice Services)

Revised page 15

Attachment 2

Section C, Economic Feasibility, Item 2 (Funding)

CFO Letter and Revised page 22

June 27, 2014

8:18 am

Life House Hospice, Inc.
570 State St
Cookeville, TN 38501

Phillip Earhart
HSDA

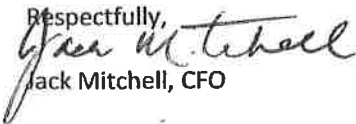
Dear Mr. Earhart,

I am the Chief Financial Officer for Life House Hospice, Inc and as such I certify that Life House has sufficient capital reserves to implement and operate the home hospice requested in the Certificate of Need CN 1406-023.

Please let me know if you need further information.

Thank You.

Respectfully,


Jack Mitchell, CFO

June 27, 2014**8:18 am****AFFIDAVIT**

STATE OF TENNESSEE

COUNTY OF JACKSONNAME OF FACILITY: LIFE House Hospice, Inc

I, CONNIE MITCHELL after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

Connie Mitchell, Inc
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 26th day of June, 2014, witness my hand at office in the County of JACKSON, State of Tennessee.

Pennie Dyer
NOTARY PUBLIC

My commission expires 2/24 2015.



HF-0043

Revised 7/02

**COPY-
Clarification
SUPPLEMENTAL-2**

**Life House Hospice
CN1406-023**

JUN 27 03:55

SUPPLEMENTAL

June 29, 2014

Phillip Earhart
HSDA
Examiner

Dear Mr. Earhart

In your absence on June 27, 2014, Mr. Farber asked the following to be clarified in order to be deemed complete.

1. You need to acknowledge that you have addressed the hospice services definition by providing the hospice need calculations for Putnam County.

Response: I have addressed the hospice service definition by providing the need calculation in my original application.

2. You need to acknowledge that the exception to the hospice need that you have referenced is from the Guidelines for Growth Document which is no longer in effect and has been replaced by hospice criteria and standards in the State Health Plan; however you could state in your response that your response on the bottom of page 10 in your first supplemental response is applicable to this application.

Response: I acknowledge that the exception I noted to the hospice need formula is in the **Guidelines for Growth** which is no longer in effect and has been replaced by hospice criteria and standards in the **State Health Plan**; however my response on the bottom of page 10 in my first supplemental response is applicable to this application.

3. The payor mix chart on the first page of your supplemental response should be adjusted as follows: Medicare, 156420, 99%.

Payor	Full year one Gross Revenues 2014	% of Total Revenues
Medicare	156420	99%
Medicaid/TennCare	0	0
Commercial insurance	0	0
Self-Pay	0	0
Charity	1500	1%
Total	157920	100%

Thank You

Connie Mitchell

Connie Mitchell

JUN 30 2014 5:52 PM

AFFIDAVIT

STATE OF TENNESSEE

COUNTY OF

Jackson

NAME OF FACILITY:

Life House Hospice, Inc

I,

Conner Mitchell

after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

Conner Mitchell
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 30 day of June, 2014, witness my hand at office in the County of Jackson, State of Tennessee.

Michelle Hix
NOTARY PUBLIC

My commission expires

2-24-2015

HF-0043

Revised 7/02



State of Tennessee
Health Services and Development Agency

Andrew Jackson Building, 9th Floor

502 Deaderick Street

Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-2364

Fax: 615-741-9884

LETTER OF INTENT

The Publication of Intent is to be published in the Herald Citizen which is a newspaper
(Name of Newspaper)
of general circulation in Putnam, Tennessee, on or before June 10, 2014,
(County) (Month / day) (Year)
for one day.

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 *et seq.*, and the Rules of the Health Services and Development Agency, that:

Life House Hospice, INC

N/A

(Name of Applicant)

(Facility Type-Existing)

owned by: Connie Mitchell with an ownership type of Corporation

and to be managed by: self managed intends to file an application for a

Certificate of Need for [PROJECT DESCRIPTION BEGINS HERE]:

Life House Hospice, Inc has filed a request for a certificate of need to establish a Home Care organization to provide hospice services in Putnam County. The Hospice agency will be located at Life House Hospice (a licensed residential hospice) at 570 State St, Cookeville, Putnam County, TN 38501. The cost of the project is expected to be \$7800.

The request to provide hospice services is necessary because the residential hospice had to temporarily cease operations due to its inability to be Medicare-certified because CMS will not certify a stand-alone residential hospice. A residential hospice must be attached to a Medicare-certified hospice in order to be reimbursed for care of Medicare patients. The temporary cessation of business for the residential hospice has resulted in no residential services at all in Putnam County. Life House Hospice, Inc will provide both in-home and residential inpatient care which is a continuum of care currently not available in Putnam County.

The anticipated date of filing the application is: June 10, 2014

The contact person for this project is Connie Mitchell President

(Contact Name)

(Title)

who may be reached at: Life House Hospice, Inc 570 State St, Cookeville, Tn 38501

(Company Name)

(Address)

931-881-6417

(Area Code / Phone Number)

Connie Mitchell
(Signature)

6/10/14
Date

cjmitchell0347@gmail.com

(E-mail Address)

is looking for a team member following areas: electrical, forklift repair and welding. experience a plus. Candidate with troubleshooting and willing to work flexible hours. "on-call" as well as developing duties in a manufacturing plant. Health & life insurance and benefits available.

ith wage requirements to
pply in person to 3234
Tompkinsville, KY.
e calls please.
EOE

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED
This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 et seq., and the Rules of the Health Services and Development Agency, that: Life House Hospice, Inc., N/A, owned by: Connie Mitchell with an ownership type of Corporation Certificate of Need Project description: Life House Hospice, Inc has filed a request for a certificate of need to establish a Home Care organization to provide hospice services in Putnam County. The Hospice agency will be located at Life House Hospice (a licensed residential hospice) at 570 State St. Cookeville, Putnam County, TN 38501. The cost of the project is expected to be \$7800.

The request to provide hospice services is necessary because the residential hospice had to temporarily cease operations due to its inability to be Medicare-certified because CMS will not certify a stand-alone residential hospice. A residential hospice must be attached to a Medicare-certified hospice in order to be reimbursed for care of Medicare patients. The temporary cessation of business for the residential hospice has resulted in no residential services at all in Putnam County. Life House Hospice, Inc will provide both in-home and residential inpatient care which is a continuum of care currently not available in Putnam County.

The anticipated date of filing the application is: June 10, 2014
The contact person for this project is Connie Mitchell, President who may be reached at:
Life House Hospice, Inc. 570 State St., Cookeville, TN 38501 or 931-881-6417
Upon written request by interested parties, a local Fact-Finding public hearing shall be
conducted. Written requests for hearing should be sent to:
County Health Department, Jackson Building, 9th Floor

Health Services and Development Agency Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, Tennessee 37243

Nashville, Tennessee 37243

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-1-1607(c)(1):

(A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

Hwy, Gainesboro, TN 38562
931-268-6777

email: still-building@hotmail.com
or at 3396 S. Grandy Quarles

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**CERTIFICATE OF NEED
REVIEWED BY THE DEPARTMENT OF HEALTH
DIVISION OF POLICY, PLANNING AND ASSESSMENT
615-741-1954**

DATE: August 31, 2014

APPLICANT: Life House Hospice
570 State Street
Cookeville, Tennessee 38501

CN1406-023

CONTACT PERSON: Connie Mitchell, President
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Cookeville, Tennessee 38501

COST: \$8,800

In accordance with Section 68-11-1608(a) of the Tennessee Health Services and Planning Act of 2002, the Tennessee Department of Health, Division of Policy, Planning, and Assessment, reviewed this certificate of need application for financial impact, TennCare participation, compliance with *Tennessee's State Health Plan*, and verified certain data. Additional clarification or comment relative to the application is provided, as applicable, under the heading "Note to Agency Members."

SUMMARY:

The applicant, Life House Hospice, Inc., has filed a Certificate of Need (CON) application with the Health Services and Development Agency (HSDA) to establish a Home Care Organization located at the site of the Life House Hospice, LLC residential hospice at 570 State Street in Cookeville (Putnam County), Tennessee 38501. The Home Care Organization, Life House Hospice, Inc. will provide in-home care for individuals defined as "homebound" by the Tennessee Department of Health, Division of Health Licensure and Regulation-Office of Health Care Facilities, the Office of Certification and the Centers for Medicare and Medicaid Services (CMS). The cost of the project is estimated by the applicant to be \$8,800, as noted in Supplemental 1.

GENERAL CRITERIA FOR CERTIFICATE OF NEED

The applicant responded to all of the general criteria for Certificate of Need as set forth in the document *Tennessee's State Health Plan*.

NEED:

The need for this project, as stated by the applicant in the Letter of Intent, is due to the fact that Medicare and Medicaid do not reimburse for residential hospice unless it is part of a home care organization. Currently, Life House Hospice, LLC is a residential hospice only. It did not seek to provide in-home care in the original Certificate of Need (CON) application CN1301-001A. This application was approved by the Health Services and Development Agency on 5/22/2013 with an expiration date of 7/1/2015. The project was implemented according to HSDA records (see page 163) of the HSDA document *Certificate of Need Projects 2000-Present*. The facility requested a licensure survey and later a certification survey in order to participate in TennCare/Medicaid and the Medicare program. It was determined by the Tennessee Department of Health, Office of Certification that in order to participate in Medicare and TennCare/Medicaid and provide residential services, as originally planned in CN1301-001A, it must be licensed both as an in-home hospice and a residential hospice provider in order to become a certified hospice home care organization. The applicant, Life House Hospice, Inc., decided to contract with Life House Hospice, LLC to provide residential hospice services while it would provide in-home hospice services to residents of Putnam County as a separately licensed in-home hospice.

In order to secure the appropriate licensure/certification from the Tennessee Department of

Health, Board for Licensing Health Care Facilities and the Centers for Medicare and Medicaid Services the applicant filed this CON application CN1406-023 to provide in-home hospice services.

The original service area for CN1301-001A included the following 8 counties: Clay, DeKalb, Jackson, Macon, Overton, Pickett, Putnam, Smith and White. The current application, CN1406-023, will include only Putnam County as its service area for the in-home services component of what they term a total hospice agency. This will allow the applicant to bill and be reimbursed for any residential services provided in the 8 county service area and any in-home services in Putnam County provided by Life House Hospice, Inc.

TENNCARE/MEDICARE ACCESS:

The applicant, Life House Hospice, Inc., is attempting to secure Medicare and TennCare/Medicaid provider status as a home care organization which will include in-home services in Putnam County.

The applicant in Supplemental 2, in response to HSDA staff inquiries regarding the Projected Data Chart, stated that Medicare gross revenue would be \$156,420 or 99% of gross revenue in 2014. The applicant does not project any TennCare/Medicaid revenue in 2014 or in 2015.

ECONOMIC FACTORS/FINANCIAL FEASIBILITY:

The Department of Health, Division of Policy, Planning, and Assessment have reviewed the Project Costs Chart, the Historic Data Chart, and the Projected Data Chart to determine if they are mathematically accurate and if the projections are based on the applicant's anticipated level of utilization. The location of these charts may be found in the following specific locations in the Certificate of Need Application or the Supplemental material:

Project Costs Chart: The Revised Project Costs Chart is located on page 15 in Supplemental #1. The total estimated project cost is \$8,800 of which \$3,600 represents the actual cost of the lease with Life House Hospice, LLC.

Historical Data Chart: There is no Historical Data Chart because this CON is for a new project.

Projected Data Chart: The Revised Projected Data Chart can be found in Supplemental 2 of the CON application. The applicant projects it will provide 720 patient days of care in 2014 and 1,440 days of care in 2015 with a gross operating income of \$157,920 and \$315,840 each year, respectively. The net operating income, as projected by the applicant, will be \$20,600 in year one of the project and \$48,000 in year 2 of the project. The Tennessee Department of Health, Division of Policy, Planning and Assessment-Office of Health Statistics notes the applicant estimates that revised charity care amount in year 1 of the project will be \$1,500 and in year 2 will be \$3,000. The applicant's estimate of bad debt in year 1 will be zero and in year 2 will also be zero.

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTHCARE:

The new facility, Life House Hospice, Inc. will rent space in the existing Life House Hospice, LLC facility and will pay the residential hospice \$3,600 per year for this space. The proposed in-home hospice provider will seek licensure from the Tennessee Department of Health, Board for Licensing Health Care Facilities, as a home care organization. Life House Hospice, Inc. will then be able to apply for TennCare/Medicaid provider status and Medicare provider status. Should Medicare and TennCare/Medicaid approve this arrangement, according to the applicant, both Life House Hospice, Inc. and Life House Hospice, LLC would be able to bill for in-home services and residential hospice services as outlined in this CON application. Without having a Medicare revenue stream and to a small degree TennCare/Medicaid this facility will not be financially viable, and presumably cease to exist, unless it would limit its services to private pay or commercial insurers.

SPECIFIC CRITERIA FOR CERTIFICATE OF NEED

The applicant responded to all relevant specific criteria for Certificate of Need as set forth in the document *Tennessee's State Health Plan*.

STANDARDS AND CRITERIA APPLICABLE TO BOTH RESIDENTIAL AND HOSPICE SERVICES APPLICATIONS

1. Adequate Staffing: An applicant should document a plan demonstrating the intent and ability to recruit, hire, train, assess competencies of, supervise and retain the appropriate numbers of qualified personnel to provide the services described in the application and that such personnel are available in the proposed Service Area. In this regard, an applicant should demonstrate its willingness to comply with the general staffing guidelines and qualifications set forth by the National Hospice and Palliative Care Organization.

The applicant indicates it will comply with all staffing guidelines of the National Hospice and Palliative Care Organization. The facility plans to utilize existing staff of the existing residential hospice provider and budgets \$40,000 and \$75,000 in years 1 and 2 of the project for staffing the project.

2. Community Linkage Plan: The applicant shall provide a community linkage plan that demonstrates factors such as, but not limited to, relationships with appropriate health care system providers/services, and working agreements with other related community services assuring continuity of care focusing on coordinated, integrated systems. Letters from physicians in support of an application shall detail specific instances of unmet need for hospice services.

The applicant provided letters of support from Cookeville Regional Medical Center stating that they had 151 patients that would have required total hospice care. It is not clear how many of these 151 patients would require in-home hospice services versus residential hospice services. It was also noted that the applicant and the hospital did not specify which of these 151 patients of the medical center resided in Putnam County and would be eligible for in-home hospice services performed by the current applicant and those patients that were residents of the 8 counties included in the service area of the residential hospice that were appropriate for residential services.

3. Proposed Charges: The applicant shall list its benefit level charges, which shall be reasonable in comparison with those of other similar facilities in the Service Area or in adjoining service areas.

The applicant listed its benefit level charges and the charges of other in-home hospice providers and noted that \$140 was the average reimbursement for in-home service based providers in the Putnam County service area.

4. Access: The applicant must demonstrate an ability and willingness to serve equally all of the Service Area in which it seeks certification. In addition to the factors set forth in HSDA Rule 072011-.01(1) (listing the factors concerning need on which an application may be evaluated), the HSDA may choose to give special consideration to an applicant that is able to show that there is limited access in the proposed Service Area.

The service area for CN1406-023 will be Putnam County. The Tennessee Department of Health, Division of Policy, Planning and Assessment-Office of Health Statistics, notes that the applicant estimates that the Putnam County service area is underserved according to its calculations based on a national study by the National Hospice and Palliative Care Organization, which document that the southern states provide less general inpatient care and a greater percentage of in-home services than the northern states. As an additional talking point, the applicant states again based on this national data, that the percentage of persons that died in hospice care was 44.6% while Putnam County hospice agencies reported 40.8% in 2012 died whole in hospice care and in 2013 the deaths while in hospice care were 41.3%. The applicant maintains this means that a minimum

of 4% of patients that died during these two years did not receive hospice care and this means the residents of Putnam County are underserved.

The Tennessee Department of Health, Division of Policy, Planning and Assessment-Office of Health Statistics would note that national, regional and even state data variations reflect individual preferences of individuals and family members. The choice to not participate in the hospice benefit, whether on an in-home or residential basis, may not be due to a shortage of hospice providers or the service areas inherent capacity, but to decisions by patients or their families to leave hospice services, to decide to pursue more aggressive treatment or in some cases a patient may go into remission for some period of time.

5. Indigent Care. The applicant should include a plan for its care of indigent patients in the Service Area, including

- a. Demonstrating a plan to work with community-based organizations in the Service Area to develop a support system to provide hospice services to the indigent and to conduct outreach and education efforts about hospice services.

The Tennessee Department of Health, Division of Policy, Planning and Assessment-Office of Health Statistics, notes that the applicant estimates it will provide \$1,500 of charity care in year 1 of the project based on the revised charity care amount in the Supplemental 2 Clarification Document and \$3,000 based upon the estimate based on the Revised Projected Data Chart shown in Supplemental 2.

- b. Details about how the applicant plans to provide this outreach.

The applicant documents that the development of this project grew out of intensive work in the community to identify the need for residential hospice services and now in-home hospice services and these activities will form the core of a continuing community support mechanism.

- c. Details about how the applicant plans to fundraise in order to provide indigent and/or charity care.

Life House Hospice, Inc. has hired an experienced RN with a long history in hospice care, as they note on page 6 of Supplemental 1, to conduct training and community meetings to implement this process. The applicant notes that the non-profit group Friends of Life House, Inc. has a shop called Precious Memories that contributes all of its proceeds to provide funds for patient care needs and indigent care.

6. Quality Control and Monitoring: The applicant should identify and document its existing or proposed plan for data reporting, quality improvement, and outcome and process monitoring system. Additionally, the applicant should provide documentation that it is, or intends to be, fully accredited by the Joint Commission, the Community Health Accreditation Program, Inc., the Accreditation Commission for Health Care, and/or other accrediting body with deeming authority for hospice services from the Centers for Medicare and Medicaid Services (CMS) or CMS licensure survey.

The applicant describes this process and its intention to be fully accredited by the Community Health Accreditation Program (CHAPs) in Supplemental 1 on page 7.

7. Data Requirements: Applicants should agree to provide the Department of Health and/or the Health Services and Development Agency with all reasonably requested information and statistical data related to the operation and provision of services and to report that data in the time and format requested. As a standard of practice, existing data reporting streams will be relied upon and adapted over time to collect all needed information.

The agency agrees to comply with these requirements.

8. Education. The applicant should provide details of its plan in the Service Area to educate physicians, other health care providers, hospital discharge planners, public health nursing agencies, and others in the community about the need for timely referral of hospice patients.

As noted previously in this report, the proposed in-home hospice provider will maintain a program to educate other health care providers in the community through an active outreach program headed by a RN who has extensive hospice experience in Putnam County.

NEED

HOSPICE SERVICES

DEFINITIONS

"Service Area" shall mean the county or contiguous counties represented on an application as the area in which an applicant intends to provide Hospice Services and/or in which the majority of its service recipients reside. Only counties with a Hospice Penetration Rate that is less than 80 percent of the Statewide Median Hospice Penetration Rate may be included in a proposed Service Area.

"Statewide Median Hospice Penetration Rate" shall mean the number equal to the Hospice Penetration Rate (as described below) for the median county in Tennessee.

NEED

Need Formula. The need for Hospice Services shall be determined by using the following Hospice Need Formula, which shall be applied to each county in Tennessee:

$A / B = \text{Hospice Penetration Rate}$

Where:

A = the mean annual number of Hospice unduplicated patients served in a county for the preceding two calendar years as reported by the Tennessee Department of Health; and

B = the mean annual number of Deaths in a county for the preceding two calendar years as reported by the Tennessee Department of Health.

Note that the Tennessee Department of Health, Joint Annual Report of Hospice defines "unduplicated patients served" as "number of patients receiving services on day one of reporting period plus number of admissions during the reporting period."

Need shall be established in a county (thus, enabling an applicant to include it in the proposed Service Area) if its Hospice Penetration Rate is less than 80% of the Statewide Median Hospice Penetration Rate and if there is a need shown for at least 120 additional hospice service recipients in the proposed Service Area.

The following formula to determine the demand for additional hospice service recipients shall be applied to each county, and the results should be aggregated for the proposed service area:

$(80\% \text{ of the Statewide Median Hospice Penetration Rate} - \text{County Hospice Penetration Rate}) \times B =$

The statewide median hospice penetration rate is 0.367 and the Putnam County hospice penetration rate of 0.474 exceeds the state hospice penetration rate and shows a negative need of (71) based on the July 28, 2014 calculations by the Tennessee Department of Health, Division of Policy, Planning and Assessment-Office of Health Statistics.

